Daily Report

Latin America

FBIS-LAT-88-165
Thursday
25 August 1988

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CONTENTS

INTER-AMERICAN AFFAIRS

L.A. Parliament Session Opens in Buenos Aires *[Buenos Aires TELAM]* 1
Human Rights Seminar Denounces Paraguay, Mexico *[EFE]* 1

CARIBBEAN

Cuba

5th Round of Talks on Southwest Africa Begins 2
Delegation in Brazzaville 2
Talks Open 2
Bilateral Contacts Discussed 2
Former POW Reported in Satisfactory Health 2
Sports Official Reaffirms Stance on Olympics *[Pyongyang KCNA]* 3
Vilma Espin Presides Over Decoration Ceremony 3
PCC Secretary Announces Support Plan for Ports 3
Further on Plan 3
Control Center Planned 4

Haiti

Mrs Namphy Sets Up Social Assistance Foundation 4
CATH Condemns Abuses, Lack of Development Plan 5
Youth Group Urges Unity 5
8 Peasants Arrested, Charged With Agitation 6

St Vincent and the Grenadines

United People's Movement Elects New Leader 6

CENTRAL AMERICA

Costa Rica

Foreign Minister Comments on Meeting With Busby 7

El Salvador

Zamora, Roldan on Election Participation 7
Swiss Doctor With Rebels Killed in Clash 7
FMLN on Doctor's Death *[Venceremos]* 7

Guatemala

Army Spokesman Dismisses Military Coup Rumors *[ACAN]* 8
URNG, Reconciliation Commission Meet 23 Aug 9
Cerezo Comments on Talks *[ACAN]* 9
Communique Issued *[San Jose]* 9
Participants Comment *[ACAN]* 9
Cerezo Agrees To Talk With Parties on Economy *[ACAN]* 10
30,000 Protest Living Costs in Quezaltenango *[ACAN]* 10

Honduras

Lopez Contreras on Contras, Aid, Negotiations 11
12,500 Contra Relatives Flee From Nicaragua *[AFP]* 12

Nicaragua

Tinoco Protests San Salvador Embassy Occupation *[BARRICADA 23 Aug]* 12
Southern Bloc Threatens To Withdraw From RN *[LA PRENSA 23 Aug]* 13
Borge on 'Transnational Media,' Community Radios *[BARRICADA 24 Aug]* 13

Panama

Foreign Minister on Future U.S. Relations 13
Students Protest Arrest of IRHE Union Leader *[DPA]* 14
Further Student Protests 14
4 IRHE Workers Arrested 14
Rodriguez Released 15
Union Rejects Appointment of New IRHE Director *[AFP]* 15
Rognoni: Union 'Unmanageable' 15
Government Plans To Meet With 'Private Sector' *[LA ESTRELLA DE PANAMA 24 Aug]* 15
McGrath on Need for National Dialogue 16
CONATO Demands End to Government 'Corruption' *[AFP]* 16
Molirena Leader on Government-Opposition Talks 17
Banking Commission Head on Sector, 'Aggression' *[CRITICA 23 Aug]* 17
Banking Association President on Restrictions 18
Briefs 18
San Jose Pact Extension 18

SOUTH AMERICA

Argentina

Army Chief Meets High Command on Salary Issue 19
Alfonsin, CNEA Head Discuss Plant Financing 19
Romanian Defense Official Begins Visits 19
Antidrug Memorandum Signed With Bolivia 19

Bolivia

Paz, Brazil's Sarney Sign Export Accord *[EL DIARIO 19 Aug]* 20
Congressmen Agree To Reduce Their Salaries *[EL DIARIO 16 Aug]* 20
Petroleum Prospecting Contract Signed *[PRESENCIA 20 Aug]* 20

Brazil

President Sarney Discusses 1989 Budget 20
Doctor Says Sarney in 'Excellent Condition' 21

Chile

Government Lifts States of Exception 21
Initial Response *[AFP]* 22
Decision Welcomed *[EFE]* 22
Status of Exiles Unchanged 23
Pinochet on Political Role of Armed Forces 23
Defense Minister on Selection of Candidate 24
Merino on Possible Protests on 30 Aug 24
CUT Executive Board Named; Bustos at Head 24
Prosecutor on Extradition, Missing Weapons 25

Colombia

Court Revokes Arrest Warrants for Ochoa Family *[AFP]* 25
'Secret' Peace Plan for Barrancabermeja *[EFE]* 25
Government Appoints New Ecopetrol President 26
Honduran Jet Reportedly Attacks Airplane *[EFE]* 26
Radio Station Set on Fire in Medellin 26

Ecuador

Alfaro Lives Willing To Support Reconciliation *[Buenos Aires REUTER]* 27
Banks Suspend Acceptance of Letters of Credit 27

Peru

Garcia on National Agreement, Cabinet Changes 27
Strike by Peasants, Coca Growers Causes Curfew *[EFE]* 28

Uruguay

12 Officers To Join Persian Gulf Peace Force 28

L.A. Parliament Session Opens in Buenos Aires

PY2308184888 Buenos Aires TELAM in Spanish 1527 GMT 23 Aug 88

[Text] Buenos Aires, 23 Aug (TELAM)—Referring to the foreign debt, today President Raul Alfonsin asserted that the Latin America countries will start resorting to unconventional solutions that will necessarily entail freezing interest. He said the solutions cannot be subject to the economies of developed countries.

Alfonsin said that these solutions will, at least, demand the reviewing of interest rates, taking into account the situation of the poorest economies, in order to reduce the amount of the foreign debt.

President Alfonsin made this statement this morning during his inaugural speech at the 12th annual meeting of the Latin American Parliament, which begins its sessions today at the Chamber of Deputies.

After speeches by Luis Leon, president of the Latin American Parliament, and by Juan Carlos Pugliese, president of the Argentine Chamber of Deputies, Alfonsin asserted that the circumstances we Latin Americans are forced to endure make us appear as the barbarians of the empire.

It seems as if we were here merely to provide cheap labor or cheap raw materials or, in the worse case, to add wood to the fire that will light the definite inferno and holocaust. Therefore, I urge all those legislators present—from 17 countries of the region—to make themselves heard by all the parliaments of the developed world.

In this regard, Alfonsin compared the economic situation of the subcontinent with that of the European countries after World War II, adding that for the time being the prevailing economic crisis merely results in a parade of political parties trying their hand at governing the country, but once those parties prove to be unable to resolve the problem those with nondemocratic solutions will appear.

Alfonsin recalled that when most Latin American countries were ruled by military governments, the European countries expressed their solidarity by creating human rights commissions, but he added that this was a postmortem expression of solidarity, because no necessary actions to preserve the democracies in our countries were taken when necessary.

In this regard the president said that integration is the answer to these problems. He added that we must firmly take this path. Alfonsin urged the parliamentarians to work hard in this area.

Human Rights Seminar Denounces Paraguay, Mexico

PY1808151888 Madrid EFE in Spanish 0225 GMT 18 Aug 88

[Excerpt] Santiago, Chile, 17 Aug (EFE)—During a regional seminar for peace and human rights that began today in Santiago, delegates from 14 Latin American countries denounced the current situation in Paraguay and Mexico.

Catholic Bishop Mario Medina, secretary general of the Church Group for the Promotion and Defense of Human Rights in Paraguay (PRODEMOS), and Mariclaire Acosta, executive secretary of the Mexican Human Rights Academy, charged Paraguay and Mexico with violating human rights.

Msgr Medina told EFE that under General Alfredo Stroessner's administration "repression and disrespect for human life have become routine." He stressed, however, that despite the 34 years "of dictatorship," the people "have unyielding faith that the only effective method for the transition to democracy is through peace." [passage omitted]

Cuba

5th Round of Talks on Southwest Africa Begins

Delegation in Brazzaville

FL2308175088 Havana Radio Rebelde Network in Spanish 1700 GMT 23 Aug 88

[Text] Today the Cuban delegation that will participate in the fifth round of quadripartite talks on southwestern Africa, being held in Brazzaville, arrived at the Maya Maya Airport in Brazzaville, the Congo.

Carlos Aldana, member of the PCC Central Committee Secretariat, is heading the delegation, which forms a joint delegation with Angola in these negotiations. Brigadier General Ulises Rosales del Toro, chief of the General Staff of the FAR, and Vice Foreign Minister Ricardo Alarcon form part of the Cuban group, which is also made up of specialists and other people.

(Piere Ngaga), Congolese vice foreign minister, and Anatole Khondo, Congolese ambassador to Angola, received the Cuban delegation at the airport.

[Havana Tele-Rebelde Network in Spanish at 1700 GMT on 23 August adds: "Before traveling to Brazzaville, Aldana met with Angolan President Jose Eduardo Dos Santos in Luanda. The two parties reiterated their agreement on the process of applying the UN resolution for the independence of Namibia and the safety and sovereignty of Angola."]

Talks Open

FL2408144888 Havana Radio Reloj Network in Spanish 1420 GMT 24 Aug 88

[Text] The fifth round of talks on southwestern Africa in which Angola, Cuba, South Africa, and the United States are participating has begun in Brazzaville, the Congo.

Reports indicate that the delegations have held bilateral meetings in the morning but no details on the discussions held were given. Silence is being kept on the subjects discussed.

These meetings began in London last May and continued in Cairo, New York, and more recently in Geneva, where a joint treaty of principle was adopted for the negotiations. A fundamental issue of those principles is the application of UN Security Council Resolution 435. The resolution was approved in 1978 for the independence of Namibia—a country occupied by South Africa that serves as a springboard for apartheid in its military raids in Angola.

Bilateral Contacts Discussed

FL2408233788 Havana Radio Rebelde Network in Spanish 2300 GMT 24 Aug 88

[Text] The 1st day of the fifth round of negotiations on southwestern Africa ended today in the Congo with the hermetic silence of the delegations participating in the meeting. Moments before the session ended, while the delegations momentarily interrupted their talks, journalists covering the conference had access for a few moments to the hall where the meeting took place.

I should inform the listeners of the "Exclusivo" newscast that the negotiators are sitting at U-shaped tables. One table is occupied by the joint Angolan-Cuban delegation, which is located in front of the South African delegation. The American group is seated between the two tables, thus reflecting their role as mediator.

Bilateral contacts were reviewed this morning and during part of the afternoon, but this was not officially confirmed and no other information has been made available on the topics discussed. This may reflect the complexity of all the matters under consideration.

I should point out to you that the fifth round of talks began today and should end on Friday.

It was also reported that Carlos Aldana, member of the PCC Central Committee Secretariat and head of the Cuban delegation, met this afternoon with Antoine Ndinga-Oba, Congolese minister of foreign affairs and cooperation.

Former POW Reported in Satisfactory Health

FL2508014188 Havana Radio Rebelde Network in Spanish 2306 GMT 24 Aug 88

[Report by Miguel Rivero, special correspondent in Diredawa, Ethiopia, and director of the national television newscast, NTV, during the "Exclusivo" program hosted by Daniel Torres—live]

[Text] Good evening, Daniel. I will give you a brief report for "Exclusivo" here from Diredawa, Ethiopia. We are following the release of compatriot Orlando Cardoso. The first thing your listeners would certainly like to know about is Cardoso's health.

He has been examined by Cuban doctors. His health is generally satisfactory. The problem with his sight, which has caused the most concern, is a cataract in his left eye that was caused by a blow he received earlier. However, this can be treated. He also has a foreign object in his left eye. He is nearsighted in his other eye, but this can also be treated. His health, in general, is good. He has been speaking to us and to other colleagues and comrades here.

For example, when I left him a few moments ago he was playing dominoes. He is in good spirits. He has many anecdotes on his lengthy imprisonment. I think one of

his most important stories is when the Red Cross brought him a report on Fidel's meeting with (Jon Mina) to discuss his situation. This has been very precious to him. He had it while he was in prison. He has now been able to read the entire segment that refers to him. Cardoso said, and I quote, I was able to appreciate the commander in chief's humanitarian spirit and put aside all political rhetoric. [sentence as heard]

Cardoso saw two documentaries today. One was "Ethiopia: Diary of a Victory," in which he was mentioned. Parts of this documentary refer to the day on which he was captured. The other documentary was on the development of Camaguey Province. As you know, he's from Camaguey. He seemed to be very surprised.

There are some other very interesting things. After almost 11 years of not speaking Spanish, he sometimes can't remember words when he speaks to us or to others. He's very anxious now to speak his native language. In general, he is progressing very well.

The process of repatriating Ethiopian prisoners continues here. Two more planes have arrived.

Cardoso is in the process of adapting to and dealing with some of the problems that have developed from such a long imprisonment. For all practical purposes, he has to readapt to a normal life, but he evidently is progressing at a rate which our own doctors think is far better than was expected.

Sports Official Reaffirms Stance on Olympics

SK2408050788 Pyongyang KCNA in English 0448 GMT 24 Aug 88

[Text] Pyongyang August 24 (KCNA)—Alberto Juantorena, vice-president of the Cuban National Institute of Sports, Physical Education and Recreation, reaffirmed his nation's decision not to enter the "Seoul olympics," a foreign news report from Havana August 22 said.

He said Cuba would only change its mind about attending if the games were fairly divided between North and South Korea.

Vilma Espin Presides Over Decoration Ceremony

FL2408124588 Havana Radio Progreso Network in Spanish 1100 GMT 24 Aug 88

[Text] Last night the Council of State conferred the Liberation War Combatant Order, second degree, on Isabel Rielo, chief of the Mariana Grajales women's squad. Division General Abelardo Colome Ibarra, member of the PCC Politburo and first vice minister of the FAR, bestowed the medal on Rielo in a ceremony presided over by Vilma Espin, also a member of the PCC Politburo and president of the Cuban Women's Federation.

PCC Secretary Announces Support Plan for Ports

FL2408023288 Havana Radio Rebelde Network in Spanish 2324 GMT 24 Aug 88

[Text] Pedro Ross, secretary of the PCC Central Committee, spoke to the press accredited in Cuba a few moments ago. He made remarks that revealed certain situations in the transportation and construction sectors. He analyzed the objective and subjective problems that have created the current inefficiency in the port transportation and internal economy sector. He pointed out that the greatest problem is merchandise not being unloaded.

Ross said mobilization was required to recover the previous momentum of the sector. He announced a study for the immediate application of a support plan that includes the participation of economic organizations in transporting more than 700,000 metric tons of merchandise a month. This task will soon begin to stabilize the port transportation situation.

The press and radio stations should help in this effort, said Ross.

Further on Plan

FL2508022188 Havana Radio Rebelde Network in Spanish 2326 GMT 24 Aug 88

[Report by (Leibis Montoya Faure) from the Transportation Ministry for the "Exclusivo" program hosted by Daniel Torres—live]

[Text] Good evening, Daniel. Good evening, Cuba.

The highest leaders of the PCC in Cuba have called for all resources to be applied to move in 30 days the excessive amount of merchandise that has accumulated in port warehouses and patios.

This was announced at a meeting currently in progress at the Transportation Ministry theater. Pedro Ross, member of the Secretariat of the PCC Central Committee, read a letter from the party's highest leaders to all the organizations affected by this controversial situation. He also said that a similar communique will be issued tonight to the principal party leaders in the provinces and to representatives of the people's government calling on them to use all resources available to fulfill this important task.

Ross said the situation that now exists at the country's ports is alarming. As a result, he said, this has excessively raised costs that were not planned because of the ship-leasing concept abroad.

Export plans have not been fulfilled because it is impossible to work at the ports. Our economy has been affected because production cannot proceed without raw material, much of which is at the ports waiting to be unloaded, transported, or received.

To give you an idea of the situation, if the congestion at the ports is not quickly relieved, the ships arriving within the next few days will have to wait more than 3 weeks to be unloaded. A similar amount of merchandise is expected to arrive during the rest of the year, which makes it important to continue working at a constant pace.

It was also announced at this meeting that the government will give the Transportation Ministry the necessary resources to increase their technical abilities to guarantee this operation.

Control Center Planned

FL2508032088 Havana Radio Rebelde Network in Spanish 2352 GMT 25 Aug 88

[Interview with Rafael Baro Martinez, director of traffic of the Transportation Ministry, by reporter Felix Fernando Garrido during the "Exclusivo" program—live]

[Text] [Garrido] We have two or three basic questions. What is happening with the transportation network that has led to this massive support plan that became effective today, and what are its main characteristics?

[Martinez] The situation in the ports is such that a total of 795,000 tons of merchandise has accumulated in warehouses. We analyzed the need to support economic organizations and to make a joint effort to resolve our current problem. The Transportation Ministry will move 564,000 tons of merchandise and economic organizations will move approximately 130,000 tons. The plan was discussed in detail today with representatives from each organization. They were receptive, willing to help resolve the problem.

The organizations of the Ministries of Sugar, Construction, [name indistinct], Agriculture, FAR, Domestic Trade, [name], Basic Industry, Light Industry, and Food Industry and the Havana people's government will provide support in transporting merchandise. We expect to move approximately 29,300 tons of merchandise daily, including food, raw material, equipment, and so forth.

The ports with the most congestion in the maritime port system are Havana, with approximately 13,000 tons of merchandise, Cienfuegos, with approximately 14,000 tons, Santiago de Cuba, with approximately 62,000 tons, and Nuevitas, with 22,900 tons of merchandise. Mariel port also has 23,000 tons of merchandise waiting to be moved.

We hope that the organized system and support provided by these organizations, as well as working 16 to 24 hours when necessary, will allow us to respond to the call made by our party and government.

[Garrido] Comrade Baro, I have other questions. Will the railway system participate? Will there be a control center to observe the daily progress of this movement? How long will this plan be in effect?

[Martinez] Yes, the railway system will have a decisive role in transporting merchandise. There will be active participation in unloading freight cars in different shipping and receiving centers throughout the country. This is very important.

An organizational control center will be established at the ministry's command post where they will be kept constantly informed of the situation at each port. They will know how the operation is progressing, which trucks are delayed, which freight cars have been delayed, and they will be able to coordinate efforts with economic organizations. We expect that this will help us greatly in resolving the problem and in clearing port congestion.

Haiti

Mrs Namphy Sets Up Social Assistance Foundation

FL2408204188 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 24 Aug 88

[Text] According to official gazette No 71.A, LE MONITEUR, of 11 August, Mrs Gabrielle Celestin Namphy, the first lady, has created a foundation called the Haitian Social Assistance Foundation [Fondasyon Ayisyen Asistans Sosial]. According to its regulations, this foundation is an autonomous, nonprofit association to aid people.

The foundation's objective is to help the poor, the underprivileged, the ill, the elderly, and the orphaned and abandoned; to establish and support hospitals, shelters, soup kitchens, child care centers, or other charitable institutions; to cooperate with and participate in any plans and programs of national or international organizations that carry out the same activities as the foundation; to promote, sponsor, and facilitate all activities aimed at bringing well-being to those most needy; to receive and manage, under the conditions stipulated in the foundation's regulations, all funds, contributions, and gifts from individuals and national and international organizations; and also to manage the foundation's income and resources.

The headquarters of this foundation just founded by Mrs Namphy will be established in Port-au-Prince, but it will have branches in provincial towns as determined by the Board of Directors.

The foundation has an initial capital of 50,000 gourdes [$10,000], which according to the press release comes from the founder's personal funds. However, this figure may increase.

The foundation will have individual members, institutional members, and honorary members. Each member will have to pay annual dues. Members will be given a card that will permit them to participate in the foundation's activities and to benefit from a number of services.

In terms of its goals, this organization has many points in common with Michele B. Duvalier's. The wife of former President Jean-Claude Duvalier had a foundation that was supposed to do almost exactly the same things as this new foundation claims it is going to do. Several health centers and hospitals under the Michele Bennett foundation were unable to function properly or to even function at all after 7 February 1986 because of the lack of money. The maternity and children's hospital at Bon Repos, which was the biggest health care center under the Michele B. Duvalier foundation, has been closed for almost 2 years. Although people have complained, it has never been reopened. Recently, the employees from the mother and child care centers in La Saline and in Petite Place Cazeau were out on strike for a long time because they had not been paid for 3 months.

CATH Condemns Abuses, Lack of Development Plan
FL2308220488 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 23 Aug 88

[Excerpts] In a news conference yesterday morning, the Autonomous Organization of Haitian Workers [CATH] condemned the murderous acts of repression being committed against democratic organizations. In view of this situation, the CATH reaffirmed its determination to continue the battle until final victory. CATH also called on true, real patriots to continue to attain even greater solidarity in order to defend the cause of the Haitian people. [passage omitted]

CATH Executive Secretary Jean Auguste Mesyeux discussed in general the retrograde policy that has been applied in Haiti since 1804, a policy the current government is continuing today, while no serious development plan for Haiti has been set up.

CATH said that is why the government has no respect for capable people in Haiti. It mistreats and destroys them so that these capable people cannot enlighten the Haitian people, who are being crippled by the established system of exploitation and repression in Haiti. In light of all these problems, CATH stated that it would not climb aboard the government's train because it considers such a gesture a betrayal of the people's cause.

[Begin Mesyeux recording] The nation's traffic department has its job to do, too. A driver cannot drive a train or any other vehicle in Haiti if he doesn't have a license.

There are three kinds of people who should not drive vehicles: crazies, drunks, and the crippled or feebleminded. The traffic department cannot give people like that a license to drive a train or any other vehicle, especially a train that since 7 February 1988 has been spewing death all over the country, killing people all over the place, and causing accidents all over place, both in towns and in rural areas. The day we get on a train like that, we shou'd be burned alive. We think that anyone who does get on such a train has betrayed the people's cause. We can't get on a train where the driver sets the conditions and informs us where he is taking us. That just isn't done. So, too bad for anyone who gets on that train! We just know that train is going to dump them into an abyss!

In our latest communique, we said the Haitian people had to get together to dump that train off Morne (Fanm Pa Dra) in Jeremie, where only the flies will indicate that a train carrying passengers fell there. Also, we are living in the 20th century. In this century, coal engine trains are no longer in fashion. Everything is electric now. Today you can get to New York in 4 hours. We can't go out and get on a train that in 2 years has not even been able to make it to Miragoane.

Moreover, all the train's technicians are sloppy amateurs. They haven't been to any university or anything. They just went out and invented themselves a train. Only in Haiti could you find such a train! If you go to the Dominican Republic or any other country, you won't see a train like that.

Thus, that train, the Haitians they are mistreating—the Haitian students being mistreated and the journalists today being beaten to see if they can shut them up—well, we say that only people with no character can get on such a train. [end recording]

Gabriel Miracle, the CATH's secretary for organization, who also spoke, reproached several other sectors, such as some in the church, for not supporting the Haitian people at difficult times. He also condemned the imperialist countries supporting a dictatorship that is sowing terror in Haiti.

Finally, CATH asked all organizations throughout Haiti that are defending the cause of the Haitian people to get together and organize properly to be able to confront this situation until it is resolved.

Youth Group Urges Unity
FL2408205488 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 24 Aug 88

[Excerpts] [Passage omitted] Yesterday several organizations again condemned various violations of human rights in Haiti.

At a news conference held yesterday morning at the headquarters of CATH, the National Organization for the Defense of the Young, Ornadej, vigorously protested the Labadie massacre, which cost the lives of four members of the MJL [Labadie Youth Movement].

Ornadej stated it was astonished to see that to this day there had been no statement on this from the major bigshots. [passage omitted] Ornadej said that it saw the military government as a dictatorship that had no reason to envy other dictatorships in the area. We will listen to an excerpt from that news conference:

[Begin recording] [First speaker, in progress] ...everyone organize, and organize properly, to rid ourselves of this military dictatorship at the appropriate moment. [passage omitted]

[Second speaker] We ourselves today say that we think our alternatives remain the same. That is to say, only the unity of the people's organizations, unity of action, strategic unity, can uproot the general and his acolytes from power here. Although we should ask the general and all the others to resign, can we ask General Namphy to resign? We think not because a man who considers Haiti his private property... [changes thought] I mean, it is action by all of us together that might get them to leave. This business of asking for their resignation, of asking them to leave power—we think all that is mere words. Until the Haitian people manage to mobilize around a single strategic point, we will get nowhere. [end recording]

8 Peasants Arrested, Charged With Agitation

FL2308181188 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 23 Aug 88

[Excerpts] Eight peasants were arrested last Friday in (Abreo), not too far from Hinche, accused of encouraging citizens in the area not to pay taxes for the marketplaces or leasing of government lands, taxes which guarantee them no minimum health or social coverage. The peasants went before the court yesterday.

These peasants were in bad shape because the military who arrested them beat them severely. Some of them were still bleeding from the nose and/or the ears, and many parts of their bodies were still swollen. The entire faces of some of them were badly swollen. You could clearly see on their bodies signs of the harsh treatment they had received when they were arrested and while they were in jail.

Chavannes Jean-Baptiste, founder and leader of the Papaye Peasants Movement [MPP], was interrogated at length by the military commander for the area yesterday at the barracks in Hinche. Jean-Baptiste was arrested last Saturday in Papaye, where he lives, and released in the afternoon of that same day. Our correspondent will give us details.

[Correspondent Jacques Clerveau] After appearing before a court of conciliation, peasants Delius Absalom, Delius Saintinor, Denis Francois, Letois Francois, Rosand Delus, Julien Augustin, Edwane Saintina, and Lenois Elisma were temporarily released yesterday by the Department of the Public Prosecutor in Hinche. The case will be taken to the civil court, and the peasants are to appear in court again on 2 September.

We remind listeners that the peasants were tortured at the Charlemagne Peralte barracks in Hinche. Also, they have been accused of being agitators. However, Haitian Human Rights League President (Maxi Joseph) says the arrests are clearly illegal. [passage omitted including indistinct portions]

Meanwhile, the MPP group leaders team has sent a press release that ends as follows: We are sounding the conch shell in a call to assembly. We are calling for a quick meeting of all the organizations in the people's camp in order to form a single bloc and thus plan life, seek life, build life, and live. Down with all the forces of death! Long live life for everyone everywhere! Organization or death!

St Vincent and the Grenadines

United People's Movement Elects New Leader

FL2208232888 Bridgetown CANA in English 2303 GMT 22 Aug 88

[Text] Kingstown, St Vincent, Aug 22, CANA—Lawyer Adrian Saunders has been elected new leader of the opposition United Peoples Movement (UPM) here, replacing Oscar Allen, who resigned after leading the socialist party since 1982.

Saunders, deputy leader to Allen for the past six years, was elected to the party's top post at its 5th congress on Sunday when Nelcia Robinson was elected deputy leader.

Allen, a social worker, said he resigned in order to evaluate the "psychological burdens" of leadership. He said that leadership of a political party over a long time imposed "a certain psychological burden" resulting in the leader quite often becoming a little more cynical, hard-hearted, and arrogant to the point where he believed he knew it all and ruled all.

"In my resignation, what I am doing is recognising the danger signs and calling a halt to the growth of arrogance in my personality," Allen said.

He made it clear that there was no discord between himself and the party or any other members of the party. Allen said he also wanted to "ease down the barrier between the resources of the party and the resources of the nation." He explained that several national developmental projects in which he had been involved had been given the "cold shoulder" by government, and felt it was mainly because he was leader of an opposition party.

Costa Rica

Foreign Minister Comments on Meeting With Busby

PA2408222588 San Jose Radio Impacto in Spanish 1844 GMT 24 Aug 88

[Report by Mario Carmona on statement by Foreign Minister Rodrigo Madrigal Nieto at the Presidential Palace on 24 August]

[Text] This morning Foreign Minister Rodrigo Madrigal Nieto held another meeting with Morris D. Busby, U.S. roving ambassador to Central America. Foreign Minister Rodrigo Madrigal Nieto said the following about the meeting's topics:

[Begin recording] As all of you well know, we have talked with Secretary of State Shultz on several occasions and with Mr Busby, U.S. roving ambassador to Central America, about all the complex problems in Central America. We are convinced that we must work together for peace and democracy in Central America. The democratization of Central America is vital; this demands a constant exchange of ideas to find paths that lead to this. Of course, this meeting basically covered this topic. [end recording]

Busby mentioned that it was important for the Nicaraguan Resistance to receive humanitarian aid. However, this topic was not discussed at the meeting.

El Salvador

Zamora, Roldan on Election Participation

PA2408130588 San Salvador Canal Seis Television in Spanish 0200 GMT 23 Aug 88

[Text] After staying in El Salvador for more than 9 months, today Ruben Zamora, leader of the Popular Social Christian Movement, and Mario Reni Roldan, leader of the Social Democratic Party, along with the National Revolutionary Movement—which together with the other two parties compose the Democratic Merger—officially announced the parties' participation in the next presidential election. The organization had hesitated to run in the election because it meant pitting its strength against those of other, more powerful political organizations.

After reading the official communique, Zamora said the purpose of this participation is to (?pave the way) for a political negotiated solution of the armed conflict.

[Begin recording] [Zamora] The next election by itself will not resolve the basic problems of our society. These problems are social injustice, lack of true democracy, subordination to the U.S. Government's interests, and the state of war imposed on the people. We are sure, however, that our participation in the electoral process will unify the people and make them strive peacefully for social justice, democracy, and national independence.

[Roldan] The participation of the Democratic Merger in the election apparently lends credence to the process, but this is not so. After 8 years of struggle and all the human and material sacrifice this struggle has meant, we are not making a gracious concession to a political regime. And this is not a fulfillment of Esquipulas II, as some would have it. It is simply that the struggling people have opened a political opportunity by themselves.

[Zamora] To negotiate in this country it is necessary to build a social foundation so the people's forces can unify around a political solution proposal. This will be one of our main tasks during this period. [end recording]

Swiss Doctor With Rebels Killed in Clash

PA2408173388 San Salvador Canal Doce Television in Spanish 0300 GMT 24 Aug 88

[Text] Today military authorities identified the body of a Swiss doctor killed yesterday along with two other guerrillas in a clash with national police forces.

A report indicates that during a patrol by members of the national police in Las Flores hamlet, Cerro Colorado, Ilobasco, Cabanas Department, at noon on 22 August, the police carried out a surprise attack on three FMLN rebels. Rebels and police engaged in a heavy clash that left two policemen wounded and resulted in the deaths of Swiss doctor (Jurgen Dieter Weiss), a rebel identified as Carlos Mauricio Mendez, and an unidentified rebel.

The report adds that three M-16 rifles were seized from the rebels, as well as a large quantity of medicine found in the doctor's knapsack. The doctor, identified by his passport, No 632057, was also carrying an M-16 rifle.

The doctor's remains were turned over to the Swiss Consulate, and the rebels' remains were taken to the Ilobasco cemetery, where they were buried.

[Begin speaker recording] There is a horrible situation here with terrorists. When they noticed the foreigner was dead, they disfigured his face. They cut his face up so badly that when we arrived we only found his skull. They did this so he could not be identified, but they overlooked the passport and a photograph of the doctor with a young lady. We are still searching the area although we have not found traces of the rebels. [end recording]

Meanwhile, Radio Venceremos, the guerrilla's official voice, has not yet reported the incident, the second this year in which a foreign doctor enlisted in the rebel ranks has been killed.

FMLN on Doctor's Death

PA2508041088 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 25 Aug 88

[Communique issued by the FMLN General Command in El Salvador on 24 August]

[Text] The FMLN General Command reports and vigorously condemns before the Salvadoran and Swiss people and national and international human rights

organizations the murder of [words indistinct] Prof (Jurgen Weiss), who was killed by the Salvadoran Army High Command at Las Flores hamlet, Ilobasco jurisdiction, Cabanas Department on 22 August.

Mr Weiss, who headed a Swiss movement of solidarity with Central America, had been in our country since July 1988 gathering information on the people's most urgent needs and on the effects of the war on civilians.

This new crime committed by the Army High Command is further proof of the repressive escalation implemented by the Christian Democratic regime against the peoples movement, which is the Salvadoran people, and against all individuals who offered impartial solidarity to that movement.

In their effort to hide the crime, the Army High Command and the Christian Democratic government tried to conceal it—as they have done in the past—as a clash between the national police and FMLN guerrilla units. The numerous and evident contradictions of the first Army reports, however, brought this clumsy maneuver into the open.

The blood shed by Prof (Jurgen Weiss), which joins that of Msgr Romero, Maria Elena Garcia Diaz, the four U.S. nuns, the Dutch newsmen, and our thousands of heroes and martyrs, is now living proof of the Christian Democratic regime's antipopular and antidemocratic nature. That blood is also proof of the justice of the Salvadoran people's struggle and the deep solidarity offered by Europeans and other people.

We send our deepest recognition and condolences to the Swiss people and the relatives and friends of Prof (Juergen Weiss). We call on our people to continue their struggle for justice and peace. We call on all the people of the world to report and condemn that murder and to increase their active solidarity with the Salvadoran people's fair struggle.

Revolution or death, we will win.

[Signed] FMLN General Command
El Salvador, Central America, 24 August 1988

Guatemala

Army Spokesman Dismisses Military Coup Rumors

PA2508014988 Panama City ACAN in Spanish 0005 GMT 25 Aug 88

[Excerpts] Guatemala City, 24 Aug (ACAN-EFE)—Today Army spokesman Colonel Luis Arturo Isaacs Rodriguez said that the Guatemalan Army will not overthrow Christian Democratic Party [PDC] President Vinicio Cerezo "because he acts in accordance with the Constitution and is safeguarding the people's will."

In an interview with ACAN-EFE, the officer said the Army will respect [Cerezo's] term of office and the people's will expressed at the polls in 1985.

He admitted that the Guatemalan people are currently experiencing a "coup d'etat psychosis," and he blamed this on the disinformation produced by some news media that are "clearly commercial rather than professional." [passage omitted]

"The Army is working for and safeguarding the democratic process because we promoted it" by calling for general elections in 1985. "It would be absurd if the military were to overthrow Cerezo to topple the democratic regime," the military officer stated.

The latest edition of the independent weekly magazine CRONICA carried an article entitled "Phantom Coup," stating that on Tuesday, 9 August, there were rumors of government destabilization. The report stated that a Guatemalan Air Force helicopter squadron overflew the presidential residence while Cerezo was holding a cabinet meeting.

According to the magazine, at that moment Gramajo was called and told to go to the "Beige House," his official residence, where military commanders were allegedly meeting to discuss a list of demands to present to Cerezo.

The publication stated that the ministers became "nervous." At the same time, Foreign Minister Alfonso Cabrera met at the Congress with leaders of the ruling Christian Democratic Party to report on the military movements, which were described as unusual.

Cerezo termed the alleged demands by the Army commanders "rumors" and "speculation." The commanders requested fulfillment of a 25-point demand for the reorganization of the cabinet.

However, the president said "small radical groups exist" that want to destabilize the democratic process, and they have even knocked on the doors of the garrisons so the Army officers will "destabilize the government."

The military spokesman said the Army "wants" President Cerezo, "God willing," to finish his term and that it would be "a blessing" if in the next clean elections (1990) a party other than the PDC wins.

This way, in addition to showing the Army's strict adherence to the Constitution, "the country and democracy would be stabilized" and the guerrillas would not have "any banner" under which to continue to operate, he stated.

The officer was skeptical that some mid-level officers are seeking the help of civilian radicals to launch a coup d'etat, although he admitted that "disgruntled" people always exist in all institutions.

URNG, Reconciliation Commission Meet 23 Aug

Cerezo Comments on Talks

PA2408182788 Panama City ACAN in Spanish 2100 GMT 23 Aug 88

[Text] Guatemala City, 23 Aug (ACAN-EFE)—Guatemalan President Vinicio Cerezo has said the National Reconciliation Commission (CRN), which is talking with the Guatemalan guerrilla leadership in Costa Rica today, "is carrying no proposal from us."

The Christian Democratic president said in brief remarks to ACAN-EFE that the CRN is "independent and autonomous"; therefore, it cannot take any government position to the talks with the rebels.

The CRN, headed by Msgr Rodolfo Quezada Toruno, is in San Jose, Costa Rica, to discuss the peace proposal presented by the URNG.

Cerezo emphasized the government will not talk with the guerrillas and the CRN is "completely free" to listen to the URNG's plan for reincorporating the rebels into the democratic process and the nation's political life.

Costa Rican President Oscar Arias, 1987 Nobel Peace Prize laureate, has offered his country as a venue for talks between the CRN and the Guatemalan guerrilla leaders.

In addition to Quezada Toruno, who is president of the Guatemalan Episcopal Conference and prelate of Esquipulas, the CRN is composed of Tere Bolanos de Zarco, the "honorable" person; opposition leaders Jorge Serrano Elias and Colonel Francisco Luis Gordillo; and Leopoldo Sandoval of the ruling party.

President Cerezo maintains the guerrillas must lay down their weapons, be incorporated into institutional political life, and accept amnesty, in accordance with the Esquipulas II peace treaty.

Rebel commanders (Rodrigo Asturias Gaspar Ilon) of the Revolutionary Organization of the People in Arms, Rolando Moran of the Poor People's Guerrilla Army, and Pablo Monsanto of the Rebel Armed Forces have insisted on a direct dialogue with the government.

Communique Issued

PA2408123688 San Jose Radio Reloj in Spanish 0100 GMT 24 Aug 88

["Joint communique" issued by the URNG and the National Reconciliation Commission in San Jose, Costa Rica, on 23 August]

[Text] Joint communique issued by the URNG and the CRN:

In accordance with previous agreements, a meeting between the URNG and the CRN was held in San Jose, Costa Rica, on 23 August 1988, as scheduled.

The CRN attended this meeting in good faith to listen to the URNG's views on Guatemala's internal armed conflict [words indistinct] and solutions.

We hereby state that the CRN is not a mediator, a negotiator, nor a representative of any of the parties involved and that its actions are completely independent and made within the framework of the Esquipulas II agreements.

The URNG hopes that today's discussions and the spirit of Esquipulas II [words indistinct] continues the search for a political solution to the Guatemalan armed conflict.

The CRN will inform the Guatemalan Government, the Army, and all national sectors of the content of today's discussions.

The CRN and the URNG thank the Costa Rican people and government for their hospitality and give special thanks to His Excellency President Oscar Arias and to His Excellency Apostolic Nuncio (Pierre Tobencolo) for their cooperation in planning this meeting, which will continue tomorrow.

Participants Comment

PA2408232788 Panama City ACAN in Spanish 2140 GMT 24 Aug 88

[Text] San Jose, 24 Aug (ACAN-EFE)—Today the URNG said in Costa Rica that it demands to be included in the national dialogue scheduled for September in Guatemala, and it requested the adoption of measures to humanize the war that has been waged in Guatemala for almost 30 years.

The request was presented by the URNG, which is comprised of three rebel groups, to the National Reconciliation Commission (CRN) following 2 days of meetings at the nunciature in Costa Rica. The two requests, along with another concerning the relocation of refugees in Mexico and respect for the property they had to abandon in Guatemala, will be delivered by the CRN to the Guatemalan Government in the next few hours.

CRN President Msgr Rodolfo Quesada Toruno and Commander Pablo Monsanto, one of the three main guerrilla leaders, said the URNG believes the national dialogue should be as broad as possible and include all the country's political and social sectors. He added that "the dialogue would be incomplete and have no future" without the rebels.

They both agreed, in separate news conferences, that the meetings in San Jose are really only negotiations because the CRN has no authority to make decisions.

Monsanto stated that they had reached important conclusions that cannot be revealed until the CRN discusses them with President Vinicio Cerezo.

"Our position is that we should participate in the national dialogue and have all the appropriate guarantees," said Monsanto, chief of the Rebel Armed Forces (FAR), the oldest guerrilla group in Guatemala.

The guarantees include a 90-day truce while the preparations for the talks are made.

The rebel leader indicated that the proposal to humanize the conflict in accordance with international accords includes the prisoners' right to be treated as prisoners of war, respect for civilians, and granting humanitarian organizations access to war victims.

Monsanto reasserted that the URNG intends to contact the Central American governments to explain the steps taken so far and the Guatemalan guerrilla groups' views of Esquipulas II—a process which, in his opinion, "should continue."

Referring to these contacts, Monsanto asserted that the first meeting will be held with Nicaraguan President Daniel Ortega in the next few days. However, he has ruled out—for the time being—a meeting with Cerezo during the Guatemalan president's Central American tour to reactivate the peace process.

Cerezo Agrees To Talk With Parties on Economy

PA2408160188 Panama City ACAN in Spanish
2125 GMT 23 Aug 88

[Text] Guatemala City, 23 Aug (ACAN-EFE)—Today Guatemalan President Vinicio Cerezo agreed to review the country's economic crisis with the opposition political parties. The crisis has caused strikes by public employees and popular protests throughout Guatemala.

During an impromptu news conference held in the halls of the Presidency, Cerezo said he was willing to talk with opposition political leaders. The opposition has publicly stated it wants to propose solutions to the labor unrest.

The leaders of the main opposition parties voiced their "concern" over the current unhappiness and "social effervescence" in the country. They made this statement following a private meeting yesterday.

Attending the meeting were former presidential candidates Jorge Carpio Nicolle of the Union of the National Center (UNC), Mario Solarzano of the Democratic Socialist Party, Hector Mayora of the right-wing Nationalist Authentic Central (CAN), and Mario Fuentes Pieruccini of center-right Revolutionary Party (PR).

They noted that because of the economic consequences of the government's political, fiscal, and financial policies, "people have been driven to protests, strikes, and other demonstrations of rejection."

In a joint statement, the opposition political leaders noted that "it is our duty to make the appropriate comments and to propose solutions that may prevent the peoples' loss of purchasing power as a result of the crisis."

Cerezo said he would "possibly" meet tonight with those opposition leaders at the Presidency to learn their views and proposals "for practical ways toward a solution."

The joint statement by the four political parties, which recognized their own ideological policy and independence, stated that they maintain their opposition to the Christian Democratic administration, but that "we will open the necessary maneuvering room to reach an understanding in the search for solutions."

The politicians expressed their concern over the strike by public employees. After 16 days of protests against the high cost of living, the public employees' strike became nationwide with the support of workers, peasants, and student and popular organizations.

President Cerezo seemed willing to review the economic and social problems with the political leaders and to have national dialogue with all the public opinion sectors through the National Reconciliation Commission.

30,000 Protest Living Costs in Quezaltenango

PA2408140088 Panama City ACAN in Spanish
2210 GMT 23 Aug 88

[Text] Quezaltenango, Guatemala, 23 Aug (ACAN-EFE)—Today a large-scale demonstration protesting the high cost of living was staged in Quezaltenango, in western Guatemala.

Over 30,000 government employees, laborers, peasants, students, and housewives marched through the city's main streets and then gathered in Central Park, in front of City Hall.

The marchers demanded that President Vinicio Cerezo's government "end the repression and murder of peasants and students" and change its economic policies, because they "harm the people's pockets."

They also asked the government to establish price ceilings for basic food products, the cost of which has "spiralled" in the past few days because of increased fuel prices.

The government maintains that the current economic measures are part of a program of economic and social reorganization that will stimulate exports and improve Guatemalans' standard of living.

The mass demonstration was organized by the Labor and Popular Action Union, which is also staging progressive strikes in protest of the high cost of living.

Today government sources said the strike being staged by government workers in several of the country's departments "might end today," because the "employees have realized that the action is getting them nowhere and they are only harming the nation's economy."

Honduras

Lopez Contreras on Contras, Aid, Negotiations

PA2408134588 Tegucigalpa Voz de Honduras Network in Spanish 1120 GMT 23 Aug 88

[Report by Trino Murillo on interview with Foreign Minister Carlos Lopez Contreras—date and place not given]

[Text] A few days ago, a U.S. newspaper reported that over 60 percent of the Nicaraguan contras are in our country. Honduran Foreign Minister Carlos Lopez Contreras regards this as a very momentous issue, because Honduras is presently facing a very serious situation. Moreover, all the Central American countries have been unable to reach an agreement or consolidate the Esquipulas II agreement. In this respect, the Honduran foreign minister feels Honduras is the victim of meddling by foreign powers, such as the United States, which is aiding the contras, and the USSR, which is aiding Managua's Sandinist regime. This situation has prompted very serious reactions. The foreign minister also mentioned the presence of guerrillas in the land pockets along the border with El Salvador. We asked Foreign Minister Lopez Contreras about the contras' presence. Is it true that 60 percent of the contras are in our country?

[Begin recording] [Lopez] The problem involves the movement of armed Salvadoran and Nicaraguan opposition members, who are bent on toppling the governments there. If they want to do that, they must do so from within, not from outside, their countries. Our problem is that our territory has been used along two border areas. The use of our territory in one case is more disguised, because there are havens: the land pockets along the border with El Salvador. As for Nicaragua, the contras have used some sensitive zones. They have also arrived as refugees. They recover their forces and return.

However, during the height of the contras' offensive last year, there were no foreigners in Honduras. The contras ceased military actions inside Nicaragua. This was clearly stated in the Sapoa agreement: the end of offensive military operations throughout the country. Since then, the two sides in Nicaragua have begun negotiations. They agreed to some enclaves, three of which were in a 10,000-square-km area bordering Honduras. Therefore, it should not surprise the Nicaraguan Government or anyone else that if the contras were going to move to territorial enclaves in Nicaraguan territory, located in a 10,000-km area along the Honduran border, it is clear the contras would cross our border.

[Murillo] What can be done? Is there any way to control or neutralize their entering our territory?

[Lopez] We must seek a solution, which is the purpose of Esquipulas II. Esquipulas II was custom-made to fit two countries involved in a civil war: Nicaragua and El Salvador. To turn Esquipulas into a one-size-fits-all dress for all the other Central American countries is a bit farfetched. However, the important thing about the Esquipulas II and the Contadora thinking was the resolution of problems regarding military actions, armed situations, refugees, and the use of territory in Central America was to be sought through national reconciliation. One of the main aspects of Contadora and Esquipulas II was that each state was obliged to maintain peace at home as its contribution to peace in the region.

[Murillo] The countries with civil wars must do their part?

[Lopez] Indeed, this way, all the other countries would not have problems of use of territory, massive inflows of refugees, and armed incursions in search of opposition groups.

[Murillo] We have said we are victims of irregular actions in countries because of the refugees and contras in our territory.

[Lopez] No doubt. Honduras has suffered great damage because of things happening inside Nicaragua, because these things rebound against Honduras.

[Murillo] International pressures... [changes thought] Has U.S. policy been at fault in any way? Has this situation arisen because of the regional conflict?

[Lopez] The problem is that two superpowers are meddling here. The contras are openly supported by the United States. The FMLN is supported by the USSR and other Soviet-bloc countries, Cuba included. This is common knowledge, although it was denied before.

[Murillo] Is there any way to control or neutralize the contras' entry and departure from our territory? Honduras has been accused abroad of being a contra enclave.

[Lopez] We have authorized the channeling of humanitarian aid because this aid is contained in Esquipulas II. Considering that armed groups are entering Honduran territory, it would be better if they stay along the border. The way to achieve this is to allow the flow of humanitarian aid, under the supervision of [name indistinct] and the inspection of the Honduran Catholic Church.

[Murillo] You proposed to the OAS a diplomatic visit to learn the true situation along the border area regarding the contras' presence. Also, what control mechanisms [words indistinct]?

[Lopez] I proposed that last year during the OAS General Assembly. We had hoped an executive commission could be set up. However, we must eliminate obstacles to the negotiating process, one of which is the Nicaraguan suit at the International Court of Justice. Nicaragua cannot try to impose its will. In bargaining, to receive, one must give. [end recording]

12,500 Contra Relatives Flee From Nicaragua

PA2408183788 Paris AFP in Spanish 0003 GMT 24 Aug 88

[Text] Capire, Honduras, 23 Aug (AFP)—According to reports confirmed by foreign correspondents, approximately 12,500 relatives of Nicaraguan contra fighters—including women, children, and elderly people, many of whom are malnourished, hungry, and suffering from gastrointestinal illnesses—have arrived during the last few weeks at the Honduran border.

These refugees have joined approximately 11,000 fighters who, according to insurgent sources, are in Capire and Yamales, on the Honduran border, receiving food and supplies "to return to the struggle in Nicaragua's mountains."

Carrying their children in their arms while their husbands perform other tasks, the refugee women parade all day at the supply center installed by AID under the "humanitarian aid program" for contras approved by the U.S. Congress.

The distribution of the supplies—which consist of several pounds of rice, beans, maize, lard, coffee, milk, salt, and soap—begins at daybreak, but late in the afternoon long lines of women can still be observed waiting to get some food for their children.

Those in charge of the distribution take careful note of the contra relatives who withdraw food.

In the future, heads of household must show a card identifying them as beneficiaries of the food program. Otherwise, they will not receive any food even if they visibly need it.

Refugees Celina Herrera, 60, and Estebana Herrera, 45, told AFP that they lived in Runflin, Jinotega Department, but their humble homes were burned on 16 March by Nicaraguan soldiers who accused them of "collaborating with the contras."

The Herrera women said they then settled in a mountain area but were again persecuted by the Sandinists, who killed three children and a pregnant woman.

"We could not stand it any more and did not want to have to continue escaping through the mountains, because the children suffered very much. After 6 months, we arrived at Parpare," facing the Banco Grande area, Paraiso. They immediately left for Capire, where they arrived last Saturday.

Commander Relampago said that at the La Bruja area, near San Andres de Bocay, in neighboring Olancho Department, 38 other families are subsisting "by miracle," and 30 other families are in El Guayabo, in the same area.

According to contra sources, some 30,000 Nicaraguan civilians have left their country during the last few months. They are in addition to the 10,000 displaced people who are under the care of the UN High Commissioner for Refugees.

In answer to a request to extend the assistance to the families who continue arriving in the area, an AID inspector told the press he was just distributing what was available, which consisted of a quota of 331 quintals of rice and beans, 434 of maize, 28 of sugar, and 38 of salt; as well as 298 cases of milk and 21 of coffee and lard; and 12,000 bars of soap.

Nicaragua

Tinoco Protests San Salvador Embassy Occupation

PA2408220988 Managua BARRICADA in Spanish 23 Aug 88 p 5

[Text] The Nicaraguan Government has lodged a formal protest to the Salvadoran foreign minister over the incidents that took place yesterday at the Nicaraguan diplomatic headquarters in San Salvador, calling them "a violation of the Vienna Convention on diplomatic relations" and saying that the incidents appear to have taken place with the Salvadoran authorities' consent.

The note, sent by Acting Foreign Minister Victor Hugo Tinoco, says that over the past year there have been a number of incidents that have endangered Nicaraguan Embassy personnel. For this reason, the Nicaraguan Government demanded that Jose Napoleon Duarte's government observe the provisions of Article 22, Paragraph 2, of the Vienna Convention.

In a telephone interview, Comrade Normal Lacayo, Nicaraguan charge d'affaires in El Salvador, said that of the six demonstrators (five of them aged 25, and the other almost 60 years old), there were two identified by some embassy staff as having taken part in other activities in support of the contras.

Lacayo also recalled that on 19 July, an attempt by a pro-contra group to take over the Nicaraguan Embassy was thwarted by embassy staffers.

Lacayo said: "All of them looked like vagrants. They entered under the pretext of carrying out consular business." They are people with no support base who were trying to mount a propaganda stunt for the local and foreign press.

During their 3-hour stay on the embassy premises, the six individuals said that they were calling for "the release of the Nandaime detainees" (the 43 troublemakers detained for involvement in the 10 July incidents).

"However, faced with our position that we would negotiate nothing with them, they began to back off," Lacayo added. He said that the Nicaraguan Embassy has called for greater police protection, since the individuals who were thwarted yesterday threatened to return, "with a different approach."

Southern Bloc Threatens To Withdraw From RN

PA2508020488 Managua LA PRENSA in Spanish 23 Aug 88 p 3

[Excerpt] In its annual meeting yesterday, the Southern Opposition Bloc, BOS, one of the groups of the Nicaraguan Resistance, RN, issued a preemptory communique addressed to its RN representatives, headed by Alfredo Cesar.

In the document, this political and military organization proposes three important points and warns that it will withdraw all its representatives from the RN if these points are not complied with.

These are the three points that Cesar's faction will propose to the RN Directorate:

1. Redefine the RN's relations with the United States.

2. Comply with the 8 May 1987 agreement saying that the RN would have a single army and a single command subordinated to the Directorate, which would act as a coordinating body. All dissidents would be incorporated into the organization.

3. Establish a balance between the RN's conservative and rightist forces and the progressive centrist forces.

If this cannot be achieved, BOS will leave the RN and reserve the right to get military aid on its own. This is an indirect message to the U.S. Congress, telling the Congress that this RN faction refuses to disband simply because the Congress refuses to help it.

BOS spokesmen Carlos Hurtado and Octaviano Cesar told LA PRENSA that balance within the RN was disrupted when Alfonso Robelo left the organization. [passage omitted]

Borge on 'Transnational Media,' Community Radios

PA2508030888 Managua BARRICADA in Spanish 24 Aug 88 p 5

[Unattributed article: "Inauguration of Community Radio Assembly"]

[Text] Nicaraguan Interior Minister Tomas Borge, commander of the revolution, has urged the hundreds of participants in the Third World Assembly of Community Radios (AMARC) to "preserve their autonomy and full independence," because in addition to lies and disinformation, the transnational media can use powerful weapons, including domination of other communications media.

Commander Borge said: "The enemy's temptations are strong, but your resistance should also be strong." He added: "Free radio communications are developing. They are still very young, but you must keep your autonomy, because you have urgent and permanent commitments."

Borge said that in their struggle against the old world information system, community radios have to fight against the enemies of the Sandinist people's revolution because "they are the arrogant individuals who try to destroy the efforts that various sectors are making to express themselves. They are censors, who do not allow counterarguments."

Borge said that those economically powerful sectors that denied freedom of speech to many social sectors, such as European ecologists, "are the same powerful denigrators of the Sandinist revolution." They use all kinds of lies and epithets "against our revolution and our conception of democracy and freedom."

Borge asserted that the field of communications is a social sector that "we will not subordinate to the interests of local or international groups" that call for international expansion. Borge reiterated that in Nicaragua those commercial radio stations that "go beyond the limits of national interest and harm people's sensitivity with their lies will be punished by the state."

Armand Mattelart, the Belgian world communications expert, said that since their appearance after World War II, community radios have made seven contributions to the world of communications, including the break from what he called "traditional communications" [comunicacion vertical].

Panama

Foreign Minister on Future U.S. Relations

PA2508011188 Panama City Televisora Nacional in Spanish 2315 GMT 24 Aug 88

[Text] Foreign Minister Jorge Eduardo Ritter has stated to TANJUG correspondent Dussan Dakovitz that no matter who wins the U.S. elections, Panama will face an extremely difficult time until the year 2000 because the United States will continue to pressure Panama.

According to information that appeared in the Yugoslav publication BORBA, Minister Ritter gave an exclusive interview to TANJUG and said that the methods used by the United States could change but the goal would remain the same: for U.S. military bases to remain in Panama after the turn of the century.

Minister Ritter said: We should not deceive ourselves with false hopes about future Panamanian-U.S. relations; it will be a constant low-intensity conflict, as Washington calls this sort of strategy.

Students Protest Arrest of IRHE Union Leader

PA2208221388 Hamburg DPA in Spanish 2109 GMT 22 Aug 88

[Text] Panama City, 22 Aug (DPA)—Students from Panama City's largest high school held a demonstration today to demand the release of the labor union leader of the IRHE [Institute of Hudraulic Resources and Electrification], who is being held at the Modelo prison in this capital.

The demonstration, described as "peaceful" by the students, took place on the sidewalks of the Avenue of Martyrs, a street that divides Panama City from the Panama Canal area.

Isaac Rodriguez has been in prison since last Tuesday, when his labor union cut off the electric power to two progovernment communications media, the Renovacion publishing company and Televisora Nacional.

Meanwhile, seven workers began the fourth day of their hunger strike in support of their labor union leader.

Further Student Protests

PA2308020988 Panama City Telemetro Television in Spanish 2352 GMT 22 Aug 88

[Text] This morning National Institute students staged a peaceful demonstration to demand the release of IRHE labor union leader Isaac Rodriguez. The students shouted antigovernment slogans, but no violence occurred during the protest and riot police were not called in.

A second protest, slated for 1000 this morning, could not be staged because the Ministry of Education said the school would be closed if the students held a protest rally. In response, the Federation of Students decreed a strike for an indefinite period of time at the school.

Student leaders said that, because of these threats, they will continue to demand justice, freedom, and democracy. Rolando Rios of the Students Federation said the protest was peaceful and that at no time did the students stop traffic or damage public property.

Education authorities have not taken any measures regarding this morning's incidents at the National Institute. Sources told this station that a statement on this situation will be made within the next few hours after an assessment is made.

4 IRHE Workers Arrested

PA2408221488 Panama City ACAN in Spanish 2120 GMT 23 Aug 88

[Text] Panama City, 24 Aug (ACAN-EFE)—Four employees of the state-owned IRHE, were arrested last night and this morning in a town in southern Panama. IRHE management has also threatened to fire those employees who have been on strike for 9 days.

This information was given to ACAN-EFE by Cesar Espino, defense secretary of the IRHE workers' labor union, who also announced that a protest march is being organized for Friday in coordination with other labor leaders, students, professionals, and government employees.

According to Espino, the march to be held in downtown Panama City will demand the release of Isaac Rodriguez, secretary general of the IRHE workers' labor union, who was arrested by the Defense Forces on Tuesday, 16 August, when he and 39 other employees cut off the electricity to a progovernment television channel and three newspapers.

Rodriguez continues to be on a hunger strike in prison and, according to his doctors, his health is "stable." However, his wife Belgica was able to see him Tuesday and she says he looked "slightly ill."

Seven other IRHE workers have also been on a hunger strike since Friday at a church in Panama City, and they were joined by a university student yesterday.

Four IRHE employees were arrested Tuesday night and Wednesday morning in the city of Las Tablas, 280 km southwest of Panama City.

Espino asserted that the arrested men were taken to the local barracks and a writ of habeas corpus has been filed for their release.

The labor union leader also said IRHE General Manager Lieutenant Colonel Ricardo Garibaldo, who was appointed last Saturday, has threatened to fire certain employees, cut their salaries, and evict the employees from their work places if they continue their strike.

Today employees at the port of Balboa—located at the Pacific Ocean entrance of the Panama Canal—organized a protest to demand Rodriguez' release and the payment of a bonus that should have been paid on 15 August.

The protest was carried out in a peaceful way during the workers' lunch hour to avoid interfering with the port activities, labor sources said.

Rodriguez Released

PA2508133388 Panama City ACAN in Spanish 1247 GMT 25 Aug 88

[Excerpt] Panama City, 25 Aug (ACAN-EFE)—A university student and seven employees of Panama's state electrical company suspended their hunger strike early this morning following the release of labor leader Isaac Rodriguez, who had been arrested 9 days ago.

Today a spokesman for the Union of Workers of the Institute of Hydraulic Resources and Electrification (IRHE) told ACAN-EFE that intensive negotiations between police authorities and labor leaders resulted in the release of Rodriguez, who had been on a hunger strike in prison since his arrest on 16 August.

The source added that after his release, Rodriguez, who is secretary general of the IRHE labor union, visited his six coworkers and the university student so they could suspend the hunger strike they had been staging in Panama City's Don Bosco Church atrium.

The same source said Rodriguez and the other strikers, including one woman, are all in "satisfactory" condition, and IRHE services, which had been partially suspended, would be resumed today. [passage omitted]

Union Rejects Appointment of New IRHE Director

PA2208163488 Paris AFP in Spanish 1550 GMT 22 Aug 88

[Excerpt] Panama City, 22 Aug (AFP)—Today some 5,000 employees of the IRHE, who have been holding a hunger strike for the past 7 days, rejected the appointment of an Army staff member as director of that state organization.

Mario Pino, secretary general of the IRHE employees union, told AFP that its members reject the appointment of Lieutenant Colonel Ricardo Garibaldo to replace Eng Raberto Barraza. [passage omitted]

Rognoni: Union 'Unmanageable'

PA2308033288 Panama City Televisora Nacional in Spanish 2315 GMT 22 Aug 88

[Text] Today, Mario Rognoni, chairman of the board of IRHE, gave his opinion on the appointment of a military officer to head the organization. Rognoni is also commerce and industries minister.

[Begin recording] [Rognoni] We consider deplorable the anarchy that has been generated by the union management, in which an individual with the distinction of Isaac Rodriguez has used the union for political ends and not for dealing with the union's problems. This resulted in the replacement of [Roberto] Barraza, a very capable administrator with a perfect record as a government employee, a professional, and university professor. IRHE's union had simply become unmanageable.

[Reporter] Do you believe changes will be made in the executive branch?

[Rognoni] I believe that is a privilege of the president of the Republic, and he will know what to do at the proper time. The real concern is to solve our people's problems. In this respect, the president is free to remove and name whomever he considers appropriate. We are all donating our time to the country. [end recording]

Government Plans To Meet With 'Private Sector'

PA2408182188 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Aug 88 pp A-1, B-9, B-7

[Article by Hermes Sucre Serrano, of the editorial staff]

[Text] In an effort to seek joint alternatives with private enterprise for stimulating economic recovery, the national government will hold a meeting with the private sector 25-26 August at the Atlapa Convention Center, Commerce and Industry Minister Mario Rognoni disclosed yesterday.

Speaking at a news conference, Minister Rognoni told journalists that the first "Meeting for Stimulating Economic Recovery [Convivio de Recuperacion Economica con Estimulos]—CRECE" will bring together all of the areas of commerce and industry for exchanging ideas and listening to suggestions to resolve the problems affecting the sector.

"We want to listen to the business sector's problems and to the suggestions on problems that are halting private enterprise development and about which the government is unaware," the commerce and industry minister emphasized.

The meeting will be held 0900-1230 on 25-26 August. Lectures on banking, industry, business, insurance, small industry, and labor problems will be given and there will be group discussions on the same topics. Unofficial reports say Manuel Solis Palma, minister in charge of the Presidency, will attend the closing session on 26 August.

Rognoni said that although the union workers leaders are reluctant to attend the meeting for political reasons, the industrialists are very interested in attending and optimistic about the results. "We see no political motives behind searching for a solution to the economic problems," he said.

He emphasized that once the suggestions and proposals have been made following this meeting, the labor leaders of private enterprise will be called to review and evaluate the conclusions.

In addition, there will be a "Workshop for Entrepreneurs" hosted by officials from the Commerce and Industry, Labor, and Finance and Treasury Ministries, as well as the Customs Department, which will listen to

the entrepreneurs' problems and will seek immediate solutions. The workshop will define the changes and eliminate bureaucratic procedures in order to expedite government procedures.

This initiative by the government and Minister Rognoni is receiving broad support from both the public sector and private enterprise, one of the organizers said.

McGrath on Need for National Dialogue
PA2308123688 Panama City Circuito RPC Television in Spanish 2300 GMT 22 Aug 88

[Statement by Archbishop Marcos Gregorio McGrath in Panama City; date not given—recorded]

[Text] The national ship is evidently sinking and we are greatly concerned. I do not say this with the intention of scaring the people, who are already scared, but to eliminate any illusions—which could be detrimental—that if the government and other sectors continue to resist, we will be able to overcome the crisis. We cannot overcome the crisis—this has been stated by people who know more about the subject than I do—if there is no national agreement to overcome the crisis. National agreement must be achieved in the political sector. Economic problems are caused by many things, but the main factor is the mistrust that prevails in the country.

I believe that the peaceful and heartfelt demonstrations organized by hundreds of thousands of Panamanians on the occasion of Dr Arnulfo Arias Madrid's funerals were eloquent. The Panamanian people want a solution, and they thought that Dr Arnulfo Arias Madrid—who was so old and worn out in a certain way, but also eloquent in many other ways—was the symbol of their hope and wishes. Many would not have voted for him, but they respected him for what he has represented throughout the years. They knew that his funeral would provide the opportunity to express their feelings.

We must reach an understanding. For a time we deplored the fact that many members of the opposition wanted a dialogue with conditions and wanted results before participating in a dialogue. That was a strategic mistake, and a lot of time that could have been spent in the search for a solution in Panama was wasted.

The opposition groups have had many problems because they could not reach an understanding on the plans and programs that could be presented to seek the people's support. There is no doubt, however, that the main responsibility is in the hands of the government. It has the means and the control but has assumed an attitude that seems to preclude a dialogue—except for the initiative to hold a dialogue without relinquishing control in some areas.

I believe that this is a mistake, and the government must create the conditions for a dialogue by releasing political prisoners, seeking ways to decree an amnesty, and trying to restore freedom of expression in every sector—instead of waiting for a dialogue to grant those things. The government should create the appropriate atmosphere, and I am sure that it will result in a joint agreement to seek what is good for the country through Panamanian solutions—instead of solutions subject to foreign, international, or U.S. interests.

A dialogue among Panamanians should work toward what is in Panama's best interests. This is possible, and I feel confident that it can be attained. I am not a politician, only a Panamanian and a pastor, yet I urge all those who share the responsibility to have heart and help shoulder the burden so that we can establish the conditions for a dialogue to seek solutions that will benefit everyone.

CONATO Demands End to Government 'Corruption'
PA2508032588 Paris AFP in Spanish 0207 GMT 25 Aug 88

[Excerpts] Panama City, 24 Aug (AFP)—Today the National Council of Organized Workers (CONATO), composed of approximately 90,000 Panamanian government employees, demanded an end to administrative corruption and a decrease in the price of basic staples. It also threatened to withdraw its support from the government if it did not meet the organization's demands.

In a communique issued in Panama City, CONATO, a coalition of five labor unions, also demanded that all workers who had been dismissed in the last 5 months (thousands, according to the opposition) be reinstated, and that the government appoint a new labor minister as well as a new deputy labor minister.

The coalition also asked for a trial against "all public officials involved in robbery," respect for the "physical integrity" of 15 electric company workers arrested while participating in a labor strike, and guarantees for "the stability" of the public sector's 125,000 employees.

The CONATO denounced the fact that within the government and the Panama Defense Forces "there are civilians and military men who see the labor movement as the enemy they must annihilate, although they now wear anti-imperialist clothing."

The CONATO warned that "the national labor movement refuses to sit back and do nothing." It announced that it would ask the People's Unity Front, a coalition of leftist parties, labor unions, and student groups, to withdraw from a government political advisory committee (appointed on 29 July) so as "to not endorse workers' dismissals and some officials' unabashed corruption." [passage omitted]

Today Lieutenant Colonel Ricardo Garibaldo, appointed last week as general director of the IRHE [National Institute of Hydraulic Resources and Electrification], said that possibly in the next 48 hours the

organization's labor conflict will be resolved and, "in a short time," Rodriguez [Isaac Rodriguez, secretary general of the IRHE Workers' Labor Union, arrested on 16 August] will be released from jail. [passage omitted]

Molirena Leader on Government-Opposition Talks
PA2408173088 Panama City Circuito RPC Television in Spanish 2300 GMT 23 Aug 88

[Statement by Alfredo Ramirez, president of the Nationalist Liberal Republican Movement (Molirena); date and place not given—recorded]

[Text] I have received Samuel Lewis Galindo and Guillermo Chapman, who informed me they had delivered a document to both civilian and military government leaders regarding the position that democratic opposition parties and the Civic Crusade had expressed to them during a meeting held at the Marriott Hotel. Galindo and Chapman told me the purpose of their visit was to inform me that since they had not received a reply from the government, they had concluded the efforts they had conducted for the country's interests. In fact, they came to let us know that no further contacts would be made.

Therefore, as far as I know, there are currently no efforts toward a rapprochement between the regime and the opposition.

Banking Commission Head on Sector, 'Aggression'
PA2408033688 Panama City CRITICA in Spanish 23 Aug 88 pp 7, 15

[By Luis Manuel Martinez]

[Text] At the invitation of Adsinar Cajar, leader of the PRD [Democratic Revolutionary Party] Business Front, I attended a brilliant lecture delivered by Mario de Diego on the "effects of aggression on the banking system and the possibilities for recovery." The Banking Commission secretary was on the podium for a little more than 1 hour and held the attention of the public throughout his speech. He did not hesitate; he went from one topic to another smoothly and sustained the interest of his audience.

His first point: "The aggression went beyond our borders; deposits abroad were equally restricted." He emphasized that we are not facing sanctions imposed on a country that committed punishable crimes; we are facing a clear and obvious aggression that has affected private enterprise more than any other sector. De Diego maintains that "we are at war," because the measures implemented by the Reagan administration are actually acts of war.

"We do not know when there will be an armistice or peace agreement, or when one will be signed. If the effects of this war persist, the banking system will be unable to recover," the lecturer added.

His categorical warning casts aside all hopes that restrictions on savings accounts and other banking operations would gradually ease as the end of 1988 approaches.

He pointed out that a campaign of rumors continues to thrive amid the war: "Banks will not open on Monday; there are documents on the printing of Panamanian money. These and many other rumors are intended to deepen the current paralysis and demonstrate that those sectors that regard their political ambitions as more important than the country's destruction are not stopping, much less changing, their destabilization tactics."

He pointed out that until March 1987, deposits at the banking center totaled $40 million and that now only $15 billion [figures as published] are left, clearly demonstrating that the strategy was primarily aimed at forcing the flight of capital and bringing about the banking center's collapse.

"The conspiracy against the banking center began many years ago. The political upheaval on 50th Street did not affect those banks operating with international licenses. Local deposits, which were in the order of $4.474 billion, have diminished to $2.900 billion. We recovered 25 percent in February, but once again we have slipped."

The reporters who attended the breakfast in the Diplomatic Room at the Continental Hotel insisted that the restrictions must be lifted, even if gradually.

With his usual sincerity, De Diego explained that "if the restrictions are lifted tomorrow, there will be a massive flight of deposits. The war wears on."

He also announced that many friendly countries—under pressure from the United States—refused to supply dollars, even though they had large quantities in their vaults.

Economists from neighboring countries have told the Banking Commission secretary that if their countries' banks closed for more than 3 or 4 days, bankruptcy would be inevitable and that they are unable to understand how the Panamanian banking system has survived.

The vulnerabilities of the Panamanian banking system were laid bare by this statement. The National Bank, the Mortgage Bank, and the stock companies are demanding short-term restructuring.

The issuance of currency is another decision that cannot be deferred. A nation cannot consider itself sovereign if it does not have a central bank that issues its own currency to protect itself from attacks such as those from which Panama has been suffering. Instead of suffering stoically, alternative solutions should be sought.

Every time a woman on the verge of giving birth feels labor pains she becomes afraid, especially if it is her first child. There is no doubt, however, that she must give birth, and that she will do so through natural means or by caesarean section.

Panama's childbirth experience must produce economic structures in keeping with its inescapable position of independence and sovereignty. No other U.S. president, therefore, will be able to paraphrase Teddy Roosevelt when, in 1903, he boastfully proclaimed: "I took over Panama." Ronald Reagan has said: "I paralyzed Panama."

To avoid a repetition of the cruel experiences of 1988, we must confront these experiences head on. Mario de Diego spoke clearly. The PRD's Business Front gained prestige with its pronouncement, and we all left convinced that the crisis is not about to end; on the contrary, it continues.

Banking Association President on Restrictions

PA2308160488 Panama City Circuito RPC Television in Spanish 2300 GMT 22 Aug 88

[Statement by National Banking Association President Edgardo Lasso Valdes; date and place not given—recorded; broadcast in progress]

[Text] ...sometimes I encounter a lot of criticism when trying to explain the present banking restrictions, but nevertheless it is very true. What forced the Banking Commission to maintain the restrictions? We did so because we are in the midst of political unrest, in a crisis situation that has not allowed banking activity to function normally.

For banking activity to function normally it has to be free of political anxiety—which does not mean banking is becoming involved in political affairs. As soon as both national and foreign bank depositors see something that does not look normal, they try—and this happpens throughout the world—to place their money somewhere where they feel at ease. If we do not see this clearly, we are never going to understand why banks... [changes thought] Despite their continuing strength and their present praiseworthy activities, we find there is still criticism that the banks are in a crisis, that banks are having serious problems.

The only reason banks continue to experience a crisis is simply because we have still not been able fully to return to normal political activities. Speaking as a Panamanian, as soon as we Panamanians are able to live together with the political crisis, we can then rapidly find a solution for the banking activities. We must all understand that banks are solid, that there is no reason to mistrust banks, and that banks, despite the current situation, are able to function normally.

Briefs

San Jose Pact Extension

Following the signing of the ninth San Jose Pact agreement, Panama will receive from Venezuela a guaranteed 7,000 barrels of crude oil a day. Despite the request for an increase to 13,000 barrels a day by the other countries in the agreement, the Panamanian Government ratified its need for 7,000 barrels, as was previously agreed, while the supplying country maintains competitive prices on the international market. It was learned that Venezuela will be able to offer derivatives within the agreed daily quota as well as the possibility of a bilateral treaty in the case of surpluses. [Excerpts] [*PA2408182488 Panama City Domestic Service in Spanish 1645 GMT 24 Aug 88*]

Argentina

Army Chief Meets High Command on Salary Issue

PY2408213688 Buenos Aires DYN in Spanish
1604 GMT 24 Aug 88

[Text] Buenos Aires, 24 Aug (DYN)—Today Army Chief of Staff General Dante Caridi met with the Army high command to give them details of the talks being held to get a salary increase for military personnel.

Reliable sources indicated that Caridi met with the members of the Army Promotion Board in the Libertador building. Caridi invited them for a cup of coffee, and he openly commented on the talks he is holding with Defense Minister Horacio Jaunarena and other officials to discuss the salary issue.

Although the specific content of the meeting was not disclosed, it was learned that Caridi said the government proposed a salary increase of about 25 percent, but he believes military personnel need a 37-percent increase.

The Promotion Board, which is made up of eight senior generals and is headed by General Miguel Abbate, then continued its regular meeting to discuss 15 promotions.

The board also planned to consider the situation of the officers of the 19th Infantry Regiment of Tucuman who were not tried for their participation in the January military uprising.

The regular meeting of the Army high command will be held tomorrow.

Alfonsin, CNEA Head Discuss Plant Financing

PY2408220288 Buenos Aires TELAM in Spanish
1645 GMT 24 Aug 88

[Text] Buenos Aires, 24 Aug (TELAM)—Emma Perez Ferreira, the National Commission for Atomic Energy (CNEA) chairman, has said that President Raul Alfonsin is very optimistic about the possibility of securing additional financing to replace appropriate treasury funds in 1989 in order to continue the Atucha II nuclear power plant project.

The CNEA chairman made these remarks this morning after a meeting with Alfonsin at the Olivos residence. During the audience, Alfonsin and Perez Ferreira agreed to meet with the economic team in the next few days to review the financing of the Atucha II project.

After the meeting, which was held from 1100 to 1120, Perez Ferreira said that the economic team is now more convinced than ever of the need to complete the Atucha II project in order to cope with the electric power supply problems.

The CNEA chairman said that earlier she pointed out this fact to Economy Minister Juan Sourrouille, who had his doubts about whether this investment would be economically sound. Now, she said, he does not have any doubts. She added that for this reason Sourrouille is convinced that it will be easy to secure additional funds.

Asked about the source of the additional funds, the CNEA chairman said: I do not believe our businessmen have the financial resources to finance the outstanding amount. She added that she thinks it will be necessary to resort to foreign financing.

After the meeting with the CNEA chairman, President Raul Alfonsin had lunch with UCR presidential candidate Eduardo Angeloz.

Romanian Defense Official Begins Visits

PY2408143888 Buenos Aires TELAM in Spanish
0904 GMT 24 Aug 88

[Text] Buenos Aires, 24 Aug (TELAM)—Lieutenant General Victor Stanculescu, Romanian deputy defense minister, is conducting an official visit to Argentina. Today Stanculescu will meet with Defense Minister Horacio Jaunarena and Air Force Commander Brigadier Ernesto Crespo.

According to an Air Force communique, during his stay in Argentina the Romanian official will visit various Air Force organizations. Stanculescu will remain in the country until 29 August.

Antidrug Memorandum Signed With Bolivia

PY2408220688 Buenos Aires TELAM in Spanish
1728 GMT 24 Aug 88

[Text] Buenos Aires, 24 Aug (TELAM)—Today the Argentine and Bolivian Governments signed a memorandum of understanding to coordinate the antidrug fight in the region.

This information was released this afternoon by Interior Minister Enrique Nosiglia after a meeting with his Bolivian counterpart, Juan Carlos Duran, at the Interior Ministry's Hall of Arms.

Nosiglia said that the memorandum provides for technical cooperation, security and prevention measures, and economic cooperation.

The meeting began at 1130 and ended at 1315.

Bolivia

Paz, Brazil's Sarney Sign Export Accord

PY2408222088 La Paz EL DIARIO in Spanish 19 Aug 88 p 3

[Text] Brazil has granted 1 percent of its internal market to Bolivian exporters, who will be able to export their goods without paying import duties. This occurred after the meeting of Brazilian President Jose Sarney with Bolivian President Victor Paz Estenssoro here in La Paz.

This information was provided by Mario Siles, manager of the Exporters Chamber, who explained that the agreement is included in the bilateral agreements that were signed by the two governments. Thanks to the trade agreements that were signed recently, 800 products manufactured in Bolivia will now be exported to the Brazilian market.

The signing of the agreement granting 1 percent of the Brazilian market has generated a great deal of hope among local exporters whose activities stagnated due to the lack of an adequate policy to promote exports. High tariffs and the impracticability of the Tariff Reimbursement Certificate were two of the obstacles.

Siles also reported that despite the difficulties the exporters have been suffering during the past few months, an important, but slight, increase in the volume of Bolivian exports to foreign markets has been observed.

The manager of the Exporters Chamber highlighted the fact that artisan products, which are highly appreciated abroad, have accounted for the greatest increase in exports.

Congressmen Agree To Reduce Their Salaries

PY2408224488 La Paz EL DIARIO in Spanish 16 Aug 88 p 1

[Excerpt] Congressmen have decided to reduce their salaries by 1,900 bolivianos as of this month.

After the Chamber of Deputies and Senate leaders met with the finance minister yesterday, an agreement was reached by which congressmen will get, as of August 1988, the following monthly pay: Salary, 1,500 bolivianos; representation expenditures, 1,000 bolivianos; and rent, 700 bolivianos, for a total of 3,300 [as published] bolivianos. [passage omitted]

Petroleum Prospecting Contract Signed

PY2408182588 La Paz PRESENCIA in Spanish 20 Aug 88 p 1

[Text] Yesterday YPFB and Occidental Petroleum signed an agreement for oil prospecting in Madre de Dios and Lapachos, regions encompassing La Paz, Beni, and Pando Departments.

Energy and Hydrocarbons Minister Fernando Illanes said this is the first contract for operations that has been signed in Bolivia in the last 10 years. We expect to sign more contracts like this because they reflect the new government policy to seek private investments in the areas of oil prospecting and exploitation, Illanes added.

Illanes congratulated both oil firms for their efforts to close the deal and sign the contract, which will benefit the country, particularly La Paz, Beni, and Pando Departments.

James Taylor, Occidental Petroleum vice president, who traveled to Bolivia to sign the documents, said he expected the prospecting to succeed for the benefit of Bolivia and his company.

The contract grants Occidental the right to exploit 2.5 million hectares. This land grant will decrease over a period of 30 years, and at the end of the program, after the discovery and production of oil, Occidental will end up with 750,000 hectares.

Taylor said the actual work of prospecting will begin in the second half of 1989 and seismic testings will take place during the 1989 dry season.

The U.S. businessman said it is too early to estimate the amount of investment that will be needed because perforation contracts and other documents still need to be signed.

YPFB President Alfonso Romero Loza said the agreeement was important because it will open new and extensive areas difficult to explore, but he added that the chances of finding oil in this area are high.

Brazil

President Sarney Discusses 1989 Budget

PY2408152188 Brazilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 24 Aug 88

[Text] President Jose Sarney has denied that he is being pressured by ministers to reduce the extent of budget cuts for 1989. Rather, he said, the ministers are being pressured to cut expenditures.

In an exclusive interview with Radiobras, President Sarney talked about changes that will be made under next year's budget.

[Begin Sarney recording] The new federal government budget will introduce fundamental changes in the country's life. The federal government will only have responsibility for establishing guidelines and norms, leaving for the states and municipalities the task of initiating and overseeing projects. [end recording]

President Sarney said that the government is moving toward the realization of a longstanding dream: The decentralization of the country. This move will distribute responsibility among various sectors of Brazilian society.

[Begin Sarney recording] We hope the work the government has undertaken will have an important political impact. The government will make its contribution to institutionalizing what the constitution that is being drafted mandates: The institution of a new federation, with a new division of responsiblities and a new distribution of assignments to each sector. [end recording]

On 31 August, President Sarney will send to Congress the new budget of the federal government, which will go into effect on 1 January 1989.

Doctor Says Sarney in 'Excellent Condition'

PY2508011688 Brasilia Domestic Service in Portuguese 2200 GMT 24 Aug 88

[Text] President Sarney is in excellent condition. He has never before been so well.

These remarks were made today by Messias de Araujo, the president's private doctor. Araujo denied that President Sarney is suffering from labyrinthitis.

[Begin Araujo recording] Not at all. During the 3 years in which I have had the pleasure of accompanying him, the president has never shown any symptom that could be diagnosed as labyrinthitis. Whenever a patient has a sympton of labyrinthitis, it is absolutely necessary to know the reason for it in order to make a diagnosis. So far, the president has not shown any symptom whatsoever that could make us send him to a specialist to determine if that symptom [words indistinct] attributed to the president as labyrinthitis. [end recording]

Messias de Araujo also spoke on what the president has done to cope with Brasilia's dryness.

[Begin Araujo recording] The president has [words indistinct] the low humidity in Brasilia by following medical advice typical for such cases, that is, by drinking enough liquid, by placing wet towels in his bedroom at night to increase the humidity, and by making a great effort to avoid smokers and polluted air. [end recording]

Araujo reported that after Sarney's visit to the Soviet Union, scheduled for October, the president will have to undergo routine medical exams. Such exams are made every 6 months, Araujo concluded.

Chile

Government Lifts States of Exception

PY2408234288 Santiago Domestic Service in Spanish 2300 GMT 24 Aug 88

[Text] The government ended the state of emergency and the state of threat to domestic order which had been enforced in keeping with the Constitution. The decision, made by the president, was reported by Interior Minister Sergio Fernandez:

[Begin Fernandez recording] Following special instructions from his excellency the president, I hereby address the country to report the president's decision to end the state of emergency and the state of threat to domestic order which were enforced in keeping with the Constitution. The decrees ordering these measures were issued today and will take effect upon publication in the official gazette. [end recording]

The minister added that this decision was made taking into account the current situation and the renewed and sound institutional system. The efforts that the appropriate organs have made to preserve public order and tranquillity have yielded fruit, the minister said. He added that neither the artful aggression of extremists nor the violence to which some groups have persistently resorted to have jeopardized the order, peace, and progress that all Chileans can recognize.

[Begin Fernandez recording] Despite these measures, however, the people should rest totally assured that the government will never permit any action that would jeopardize either the lives or the property of Chileans. The government will not hesitate to take legal measures that may be necessary for adequate protection.

The government hopes that the calm and mature attitude of the people will be a decisive factor for neutralizing the attempts of small minorities who want to hinder the ongoing political process. [end recording]

In the face of the presidential decision, the government is confident the the people will responsibly respond to this new step toward the full restoration of democracy.

Finally, the minister made a call to the people.

[Begin Fernandez recording] We therefore call upon all Chileans, without exception, to recognize this decision properly and to lend their patriotic cooperation in order to preserve and maintain the normal development of activities in Chile. [end recording]

We reiterate that the decisions made by the president will come into effect after the publication of the decrees by the official gazette.

Initial Response

PA2508000988 Paris AFP in Spanish 2210 GMT 24 Aug 88

[Excerpts] Santiago, 24 Aug (AFP)—Today the Interior Ministry reported that General Augusto Pinochet's government lifted a state of emergency that had restricted public freedoms in Chile for the last 15 years.

Authorities also annulled the "state of disturbance of domestic peace," which allowed the president to order the arrest or deportation of anyone who acted against the established order.

It was reported at the presidential palace that the decrees that end this state of emergency will go into effect within the next few hours after they are published in the official gazette.

Msgr Carlos Gonzalez, president of Chile's bishops conference, said in a first reaction: "I am profoundly happy, as this contributes to everyone's peace."

The Catholic Church and the opposition parties have insistently asked the government during the last few years for the reinstatement of individual guarantees and for the state of emergency to be lifted.

The government's decision comes a week before the Armed Forces commanders meet next Tuesday to appoint the candidate that will occupy the Presidency until 1997, if their proposal is ratified in a plebiscite to be held in early October.

Everything seems to indicate that General Augusto Pinochet will be the candidate for which the Chilean people will vote "yes" or "no." Pinochet has been in power since September 1973, when a military regime was established which was responsible for overthrowing President Salvador Allende's socialist government. [passage omitted]

Interior Minister Sergio Fernandez said that the end of the restrictions is "a new step towards total democratic normalization."

Fernandez added, however, that the government "will not hesitate" to take the necessary measures to maintain order, and he added that "citizens must rest assured that authorities will never allow their lives or their property to be endangered."

Decision Welcomed

PY2508025688 Madrid EFE in Spanish 0116 GMT 25 Aug 88

[Text] Santiago, 24 Aug (EFE)—Today Chilean political, labor, and religious leaders voiced their satisfaction and optimism at the military government's decision to lift the states of exception.

The measure, which will probably take effect tomorrow, was announced today by Interior Minister Sergio Fernandez, 6 days before the date on which the Armed Forces will choose their candidate for the presidential plebiscite. The government has lifted the state of threat to domestic order and the state of emergency which have been in force since the coup led by General Augusto Pinochet in 1973.

Episcopal Conference president Carlos Gonzalez voiced his deep satisfaction over the announcement which, he said, "helps to bring peace to everyone and promotes tranquillity and confidence."

Gonzalez, who said that the measure is "very positive," had been one of the staunchest advocates of lifting the states of exception, a measure that was repeatedly requested by the Chilean Assembly of Catholic Bishops.

Christian Democratic Party President Patricio Aylwin said that the measure is "positive" and "better late than never." He added that this is one of the essential conditions for the plebiscite.

Socialist Party Secretary General Ricardo Nunez said that the announcement reflects a victory for the opposition and for the Catholic Church.

"The measure eliminates one of the tools that the Pinochet government had been using against the Chilean people. It also shows that we have defeated his stubbornness and obstinacy, thereby assuring that the plebiscite will be really free, that it will be held with transparency, and that it will reflect the real will of the people," Nunez stressed.

He added that after the states of exception are lifted, the efforts in support of other demands will be redoubled. Among such demands are the return of exiles, an end to the harassment of journalists, and an end to the discrimination against opposition members in the media.

Central Labor Union (CUT) President Manuel Bustos said that lifting the states of exception will help improve the atmosphere for the upcoming plebiscite.

Gonzalo Taborga, international affairs secretary of the Chilean Human Rights Commission, said that the measure was necessary because of the problems that the country had been facing on the eve of the plebiscite, although, he said, there is no full freedom of information yet.

Social Democratic Party President Arturo Venegas said the measure is "extraordinarily positive," and his party deeply appreciates "the progress toward the democratization of the country."

Status of Exiles Unchanged

PY2508003888 Santiago Domestic Service in Spanish 2300 GMT 24 Aug 88

[Text] The lifting of the state of emergency does not mean that those whose return to the country has not been authorized can return now or in the next few days. The authorization to return must be made after the authorities approve each specific case, as is established by Article 41 of the Constitution, which deals with the states of emergency. Paragraph 7 of this article states that the decision to expel a person from the national territory or to prohibit his return to the country—which is authorized by the preceding paragraphs—will remain in force despite the lifting of the state of emergency during which the person was either expelled or denied permission to reenter the country. Such measures will remain in effect as long as the authorities that ordered them do not cancel them.

The Constitution also states that any other measures adopted during the states of emergency will not remain in effect after the states of emergency are lifted if such measures were not ordered for a specific period.

Pinochet on Political Role of Armed Forces

PY2408040088 Santiago Television Nacional de Chile in Spanish 0030 GMT 24 Aug 88

[Text] President Augusto Pinochet has said that the new institutional order calls for armed forces that are aware of their political responsibility, adding that his institutional order has corrected a historical mistake because the Armed Forces had been sidelined from a legal viewpoint.

The president made this statement during a comradeship lunch in his honor at the military school to mark the 15th anniversary of his advent to the post of Army commander in chief. The ceremony was attended by Government Junta members, ministers and under secretaries of state, delegations of the branches of the Armed Forces and Carabineros, and other officials.

The president recalled the serious economic and moral crisis into which our country was plunged during the previous administration, which, he said, was led from Moscow by Soviet imperialism.

The president said that on 11 September 1973, the Armed Forces and the forces of order, which are the last stronghold of society, responded to a nationwide demand and rescued the country from the deep crisis into which it was led by the Popular Unity government. These are the circumstances, he went on, under which the new institutional order was born, inspired by the noblest national traditions and by the tenents of the civilization to which we belong. The focal point of the new institutional system is the Constitution, which has assigned a key role to the Armed Forces, legally establishing their position in the society they have always served. This key role assigned by the Constitution is in addition to the function of defender of freedom and sovereignty, which they have fulfilled throughout our history.

[Begin Pinochet recording] For many years now, political sectors that have been totally unaware of the situation in Chile have kept the Armed Forces outside national development efforts and public affairs, placing them in a position of passive obscurity. This attitude ignored the new forms of confrontation that appeared after World War II, after which it has been impossible to separate the concepts of politics and conflict.

For Marxism, war is a political instrument. This compels the Armed Forces to engage in permanent action to prevent conflicts—which naturally occur within society—from being intentionally fueled for the purpose of destroying the existing legal and institutional order.

It is therefore impossible to conceive that the Armed Forces should intervene only in case of foreign aggression. We have become increasingly convinced that the enemies of western civilization operate inside each country, with the objective of promoting fratricidal internal wars designed to irreversibly destroy the democratic political systems and to curtail freedom.

Gentlemen, politics is a function that can and must be fulfilled by those who meet at least the following qualifications: untarnished ethical and moral principles, devotion to the values and principles of the national being, appropriate training, and, above all, genuine devotion to public service. [applause]

All these qualifications are part of military training. Consequently, military men, like any other professionals, are prepared to discharge public duties. It should be taken into account that military devotion is essentially based on the maintenance of social order and that the principles of loyalty, patriotism, and respect for the authority are an impregnable stronghold in times of crisis. [passage indistinct]

Gentlemen, it is this idea—and not any other one—that our Constitution sets forth when it establishes that the Armed Forces and the forces of order are guarantors of the nation's institutional order.

The new institutional order calls for armed forces that are aware of their political responsibilities, that seek to promote the great political principles, that demonstrate natural concern for the common good within Chilean traditions.

Therefore, in the future, the political functions which the Constitution has assigned to the Armed Forces and to the forces of order will be paramount. The new institutional order has corrected a historical mistake, which has sidelined the Armed Forces from a legal viewpoint, despite their actual, permanent, and effective presence.

Gentlemen, history has many times summoned the Armed Forces to serve the fatherland. The same spirit led to the approval of the 1980 Constitution, which has met all of our expectations. Long live Chile! [end recording]

Defense Minister on Selection of Candidate

PY2408205888 Santiago Radio Chilena in Spanish 1700 GMT 24 Aug 88

[Text] Today Defense Minister Patricio Carvajal said the ceremony to proclaim the candidate for the upcoming plebiscite would be held on the day he is nominated, 30 August, only hours after the nomination.

Carvajal said the media will not have access to the meeting of the commanders in chief in which the candidate will be nominated. The meeting will be held at the Defense Ministry, and only a presidential audiovisual team will be allowed to cover the event. Carvajal added that no declaration will be made at the end of the meeting.

[Begin recording] [Carvajal] There will be no declarations at the end of the meeting, but the ceremony at the Diego Portales building will be held immediately afterwards.

[Reporter] You mean the same day?

[Carvajal] Yes, the same day, immediately afterwards. It will only be a matter of a few moments, perhaps a few hours for the proclamation. The announcement will be made in an appropriate ceremony, in all comfort. [end recording]

Asked whether the fact that the proclamation of the candidate will be made on the day of the nomination means that there is a previous agreement on the matter, Carvajal said he did not know. The minister added that the event is being scheduled as he just explained. This assumes that the nomination of the candidate will only take a short time—that a decision will be reached in a few minutes.

Unofficial sources said that if Carvajal's schedule is accurate, the proclamation ceremony will take place at 1600 on 30 August. Carvajal added that the government has not arranged for any civilian or military demonstration or parade on the day of the nomination of the candidate, and he added that if something like it is staged, it would be spontaneous. The minister also reported that the decree designating the chiefs in charge of the various electoral areas is ready but it will not be promulgated until the plebiscite is convened, that is, after 30 August.

Carvajal added that the designation of chiefs of electoral areas is a routine measure that was traditional during past governments and elections, and the measure does not replace [the chiefs designated by] the state of emergency.

Merino on Possible Protests on 30 Aug

PY2408192988 Santiago Domestic Service in Spanish 1700 GMT 24 Aug 88

[Text] Admiral Jose Toribio Merino, Navy commander and Government Junta member, clearly explained the government's position on organizing a protest rally march for 30 August.

The first duty of the government is to safeguard the citizens' security, Adm Merino said. He warned that if there is public unrest and public order is disturbed, the state of civil liberties will have to be modified.

He thus warned those announcing violent and terrorist acts once the Armed Forces commanders choose Pinochet as the plebiscite candidate.

Adm Merino said that one of his functions is to immediately appoint area military chiefs who, according to the law, will have certain duties.

When asked if this does not mean he is agreeing with the Marxist and violent groups who seek the continuation of the states of exception, but at the same time is also against them, Adm Merino replied: No, because the day we choose the plebiscite candidate is not a day of public elections. Therefore, on 30 August the government can adopt any measures to guarantee public order and the normal life of the citizenry.

CUT Executive Board Named; Bustos at Head

PY2408150988 Santiago Dometic Service in Spanish 1030 GMT 24 Aug 88

[Text] After a 7-hour meeting, the CUT [Central Labor Union] executive board has been officially constituted. The board has 15 members; Manuel Bustos is the president. The PCCh has four representatives on the executive board; the Christian Democratic Party [PDC] has six; the Almeyda faction of the Socialist Party [PS] has two, the PS-Nunez faction, the MAPU [United Popular Action Movement], and the Peasant Workers Movement [Movimiento Obrero Campesino—MOC] each have one.

Manuel Bustos read a declaration stating the list of names who will occupy the CUT managing posts, clearly most of which will be controlled by Marxists. Nicanor Araya, PS-Almeyda faction member and president of the Confederation of Copper Workers, was appointed CUT secretary general; and Diego Olivares, from the DP [not further identified], is first vice president. Olivares will reportedly be acting CUT president as long as Bustos remains banished in Parral serving a sentence handed down by the Supreme Court.

Arturo Martinez, PS-Nunez faction, was appointed second vice president; Sergio Aguirre, PCCh, third vice president; Jaime Martinez, MAPU, treasurer; and Alfonso Lathrop, PS-Almeyda faction, general under secretary.

Prosecutor on Extradition, Missing Weapons

PY2508031888 Santiago Domestic Service in Spanish 2300 GMT 24 Aug 88

[Excerpts] Today military prosecutor Fernando Torres Silva said that he is studying the evidence for requesting the extradition of two of the Chilean extremists arrested in Argentina. [passage omitted]

He also said that there is clear evidence that arms and explosives that had been a part of the large arsenal discovered by the security services are still hidden somewhere in the country.

Regarding the case of the Chilean extremists arrested near Buenos Aires, Torres said that a request for the extradition of two of them is under study. Torres said that the extremists are directly linked with the kidnapping of Colonel Carlos Carreno. He added that as a result of his investigation there was a warrant for the arrest of one of the extremists.

He was also asked about the possibility that the arms that have not yet been found could be used in future terrorist actions. In response he said: I ask with some concern, why is the Manuel Rodriguez Front so quiet? He added: I am asking the question not as a prosecutor, but as a person who has studied terrorism.

Colombia

Court Revokes Arrest Warrants for Ochoa Family

PA2508021788 Paris AFP in Spanish 1757 GMT 24 Aug 88

[Text] Bogota, 24 Aug (AFP)—Colombia's State Council has revoked warrants for the arrest and extradition of Ochoa clan leaders Juan David, Jorge Luis, and Fabio Ochoa issued by the government last January.

The ruling by the administrative court lifts all legal actions against the three Ochoa brothers, who are reputed members of the Medellin Cartel.

Also included in this organization, which according to the DEA is responsible for 80 percent of the cocaine that reaches the United States, are "kingpins" Pablo Escobar Gaviria and Gonzalo Rodriguez Gacha (alias "the Mexican").

Some time ago the State Council issued a similar resolution revoking an arrest warrant for Escobar Gaviria, who was even accepted back into society.

With today's ruling by Magistrate Simon Rodriguez, the court lifts the legal proceedings against the Ochoa family, which has traditionally lived in Medellin, 500 km northwest of Bogota.

The court ruling comes 24 hours after the Attorney General's Office requested immediate sanctions against Judge Enrique Montanez, who released Jorge Luis Ochoa from a jail in Bogota last December.

Judge Montanez filed a writ of habeas corpus to free Ochoa, who was tried for smuggling bulls into the country. No evidence was ever produced of Ochoa's involvement in drug trafficking.

'Secret' Peace Plan for Barrancabermeja

PA2408161388 Madrid EFE in Spanish 0320 GMT 24 Aug 88

[Text] Bogota, 23 Aug (EFE)—Barrancabermeja, Colombia's most important petroleum river port, where about 300 people have been killed so far this year, will have a "secret peace plan" agreed upon by the government, military, and leftist politicians, the Defense Ministry told EFE today.

According to a Security Council meeting yesterday that gathered five ministers, military hierarchy, politicians, and labor leaders, guerrilla activity and rightist groups who take justice in their own hands exist in this city of 150,000 inhabitants.

Government Minister Cesar Gaviria, Defense Minister General Rafael Samudio, Justice Minister Guillermo Plazas, Labor Minister Juan Martin Caicedo, Mines and Energy Minister Oscar Mejia, and Attorney General Horacio Serpa represented the government at this meeting.

After the Security Council meeting, Gen Samudio said: "The problem in the region is that there is a war in which everyone opposes everyone else, and we will end that."

A Defense Ministry spokesman said the measures of the peace plan, "which is secret for obvious reasons," include calling for an increase of Army and police troops in the region."

The spokesman stressed that the Security Council meeting "included the participation of leftist representatives who are interested in bringing back peace to Barrancabermeja and are committed to the peace plan."

The military official said it is important to distinguish between "people on the left and leftist extremists, and between armed subversives and terrorists."

The Defense Ministry spokesman pointed out the leftist representatives require guarantees, to which they are entitled, to continue their activities; the subversives are guerrillas carrying out war actions in the mountains; and "the greatest threat comes from the terrorists," who are "desperate people planting bombs and murdering indiscriminately."

Government Appoints New Ecopetrol President
PA2508002088 Bogota Inravision Television Cadena 2 in Spanish 1735 GMT 24 Aug 88

[Excerpts] Recent differences that have surfaced between Mines and Energy Minister [Oscar Mejia Vallejos] and Ecopetrol [Colombian Petroleum Enterprise] President Francisco Chona reached crisis proportions in the past few hours. The government fired Francisco Chona and several members of Ecopetrol's Board of Directors. Hector Fabio Carroza has the details:

[Begin Carroza recording] Although Minister Mejia called the dismissal of Ecopetrol's president a normal administrative action, he admitted that there were differences and misunderstandings between them during the past few days. [passage omitted] Last night, when the appointment of a new Ecopetrol president was announced, Minister Mejia said that Chona had not informed him of the existence of a private gas distribution company in Bogota, which made him appear misinformed before Congress.

He added that he had also been forced to deny a statement made by Chona at a news conference to the effect that the possibility of increasing gasoline prices was under consideration due to the company's recent financial problems. [passage omitted]

Although the minister did not openly acknowledge the extent of the crisis, Ecopetrol problems are so serious that today the company finds itself with a new president and a new Board of Directors. Juan Jose Turbay, a prominent expert in the oil industry and a personal friend of President Barco, was also dismissed. It is now clear that there were strong differences between the new minister and Ecopetrol's president over an oil policy.

Minister Mejia said that through an accounting maneuver, Ecopetrol showed a reduction in profits and therefore did not make any contribution to the National Reconstruction Plan. [passage omitted]

Minister Mejia announced the appointment of Andres Restrepo Londono as Ecopetrol's new manager [title as heard]. [end recording]

Honduran Jet Reportedly Attacks Airplane
PA2408211588 Madrid EFE in Spanish 2045 GMT 24 Aug 88

[Text] Bogota, 24 Aug (EFE)—A Honduran fighter jet has machinegunned a Colombian civilian plane. Although the crew was wounded by gunfire and the plane's fuselage was punctured, the plane managed to make an emergency landing on Colombia's San Andres Islands.

Colombian Navy authorities in San Andres reported that the incident took place at 1940 yesterday (0040 GMT today) when the Colombian plane, a twin-engined Beechcraft with no registration number, apparently violated Honduran airspace.

According to preliminary reports, the airplane landed in San Andres with only one engine working. It had changed its course due to bad weather in the Caribbean.

Pilot Jairo Tinjaca and mechanic Jose Nieto Escobar are being cared for at San Andres Hospital's intensive care unit. They have bullet wounds in their backs and stomachs.

Copilot Carlos Augusto Uricoechea, who was unhurt, flew the twin-engine airplane to its destination. Administrative Department of Security (DAS) agents questioned him this morning.

There was no illegal merchandise inside the aircraft, but three empty containers were found.

An Army spokesman said at noon (1700 GMT) that an official report of the incident is forthcoming. He also noted that the copilot said the airplane belongs to the Colombian Intercontinental Company. The registration number was not written on the fuselage because the registration process had not been completed.

Radio Station Set on Fire in Medellin
PA2408125988 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 23 Aug 88

[Report by Felix De Bedout]

[Text] A group of youths entered the installations of Colombian Radio Group [Grupo Radial Colombiano] in Medellin last night and set its offices on fire.

A group of some eight men entered the installations of the radio network and after ordering everyone out, sprinkled gasoline throughout the entire building, set it on fire, and then fled. Fortunately no casualties were reported in this incident.

According to first estimates, the losses amount to about 10 million pesos in damage to record players, cassettes, tape recorders, and telephone systems. The installations of Radio 24 and the newscast of this radio network were the ones most adversely affected.

This is the second attack with similar characteristics in the city in less than a week. The first one took place in La Rebaja drug store.

Ecuador

Alfaro Lives Willing To Support Reconciliation

PA2408125688 Buenos Aires REUTER in Spanish 0113 GMT 24 Aug 88

[Text] Quito, 23 Aug (REUTER)—Today the Ecuadoran guerrilla group Alfaro Lives Dammit (AVC) said it is willing—under certain conditions—to support Ecuadoran President Rodrigo Borja's call for national reconciliation to take the country out of its present crisis.

In a communique released to several local communications media, the AVC stressed "its peaceful vocation and the need to join efforts to take the country out of the crisis." It expresses its willingness to participate in a national reconciliation process, "which must have the participation of all of the country's sectors and an economic and social proposal guaranteeing that the people will not pay the costs of the crisis."

In the rebel communique, the AVC talked about an amnesty declaration for several of its imprisoned members.

The AVC warned that such an amnesty "is neither negotiable nor exchangeable," because the actions of "people's activists" are protected by the Constitution, which in one of its articles proclaims the right to rise against tyrants.

The rebel group added that other political forces participated in the struggle against the "tyrant" (Febres-Cordero), including the Democratic Left (ID), which is now the ruling party, so that party must grant amnesty.

Finally, the rebels stated that the amnesty is a social, peaceful process that will need coordination.

The AVC began its actions on 11 August 1983, when it stole General Eloy Alfaro's sword from the Guayaquil municipal museum and attacked several radio stations in order to transmit ideological proclamations.

Banks Suspend Acceptance of Letters of Credit

PA2408123488 Quito Voz de los Andes in Spanish 1200 GMT 23 Aug 88

[Text] Guayaquil business circles are aware that private international banks have temporarily suspended the acceptance of Ecuadoran commercial letters of credit as a result of the country's expected adoption of new exchange regulations.

According to national banking officials, this temporary suspension is logical in view of the uncertainty created by possible economic measures that could alter the foreign trade exchange rate.

A top Guayaquil union leader said international banks unilaterally decided to suspend the acceptance of new letters of credit from the Ecuadoran commercial sector for new operations beginning last Friday.

According to the source, this decision was relayed via telex to the various managers of local and foreign banks and to commercial, industrial, and mercantile representatives with commercial operations abroad.

Peru

Garcia on National Agreement, Cabinet Changes

PY2408124088 Lima Television Peruana in Spanish 0100 GMT 24 Aug 88

[News conference held by President Alan Garcia Perez with unidentified reporters on 23 August; place not given—recorded]

[Excerpts] [Reporter] Regarding your proposal for a national agreement, yesterday writer Mario Vargas Llosa charged that your proposal is a mere political maneuver. What do you want to say about Vargas Llosa's remarks?

[Garcia] I deplore them. I believe that at this a time, when everyone is aware that we are going through a difficult period, all Peruvians—especially the most intelligent ones—should help us not by sharing our responsibility but by understanding that what is at stake here is not the fate of a government, a political party, or of an individual, but our country's socioeconomic future. It is not a crime to seek an agreement; to agree means to propose ideas, to offer solutions, and to let the government take the best possible action. I believe that to attempt to reach an agreement is a sign of political maturity.

No one can regard our attempt to seek an agreement as a smokescreen to conceal anything. Everyone is aware of the current situation. I am the first one to admit we have problems. However, we do need the participation and commitment of those sectors involved: workers and businessmen. We need to reach agreements on some subjects on which we agree in principle. For instance, if we want to reduce the government's deficit, we must decide which cuts can be made without affecting either the business sector or the workers. [passage omitted]

[Reporter] Industry Minister Guillermo Arteaga met with you a few hours ago. Did he give you the list of corrupt officials?

[Garcia] No, not yet. I am sure he will do that because I support every action designed to promote moral values. If charges of immoral, irregular actions are raised, I believe it is our duty as Peruvians to support every action to clear these charges. We are all aware that there are problems. If specific names are mentioned... [changes thought] This does not mean that if he does not submit the list of the 400 corrupt officials he would be

reneging on his word. I think this figure has been exaggerated by the press. Minister Arteaga will not have to resign if he does not submit the list. I believe corrupt officials should be purged from the government, and I am sure the Industry Ministry, like other ministries, has been working toward this goal.

[Reporter] Mr President, is it true that Minister Arteaga tendered his resignation?

[Garcia] No, it is not true.

[Reporter] It has been rumored that you have offered the post of economy and finance minister to Senator Javier Silva Ruete. Is this report true?

[Garcia] It is not true either. I want to state that I have a great deal of respect for people who are capable and have a wide range of experience, as is the case of my very close friend Javier Silva Ruete. Sometimes we feel restricted, and refrain from talking to some individuals because he could be regarded as the next economy minister.

[Reporter] Do you then reaffirm your confidence in the current economy and finance minister?

[Garcia] Naturally. If I, as president of the Republic, did not have confidence in a minister, first I should tell him so honestly, and secondly, I should change him. [passage omitted]

[Reporter] Mr President, Senator Elias Orihuela of the Popular Action Party has charged the Central Reserve Bank [BCR] with issuing currency without due backing at the rate of 1 billion intis daily.

[Garcia] I think that figure has been highly exaggerated. Some currency has obviously been issued without direct backing. Let me explain this: To import foreign items such as wheat, corn, and chemicals for industrial use and machinery, the importer will have to pay 33, 75, or 125 intis. This gives an average of 80 intis per dollar for imports. That is, if you are a manufacturer and you need to import something, you will pay an average of 80 intis per dollar. If you are an exporter and you export silver, gold, or copper, the BCR will pay you 120 or 130 intis for your dollars. Thus, the BCR receives 80 intis for each dollar it sells and pays 120 for each dollar it buys. The difference of 40 intis is called issuance without due backing. [passage omitted]

Strike by Peasants, Coca Growers Causes Curfew

PY2408033888 Madrid EFE in Spanish 0058 GMT 24 Aug 88

[Text] Lima, 23 Aug (EFE)—Today Peruvian military officials established a curfew in Tingo Maria because of the strike by peasants and coca growers to protest the destruction of their coca fields.

Since 20 August the strikers have been blocking the road linking Huanuco with Tingo Maria, Huanuco Department, in the northern jungle where there is drug traffic activity.

The strikers also blocked the Marginal de la Selva Highway, isolating Tocache, Uchiza, Juanjui, and Aucayacu, which are well-known centers for drug trafficking.

The strike is supported by the Shining Path, according to reports disclosed in Lima today.

The coca growers oppose the use of the herbicide called "Spike," which the government is planning to use to destroy the clandestine coca plantations.

According to unofficial sources, a group of terrorists linked to drug trafficking reportedly wounded a police officer in an attack on a police helicopter. Terrorists also attacked a Civil Guard post in Nuevo Progreso, north of Tingo Maria, Ucayali Department.

Uruguay

12 Officers To Join Persian Gulf Peace Force

PY2408120188 Montevideo Radio Carve in Spanish 0930 GMT 24 Aug 88

[Text] It was confirmed at the United Nations that twelve Uruguayan officers will join the Persian Gulf Peace Force. The detachment will comprise a lieutenant colonel and 11 Army majors and captains. The group will travel to the Persian Gulf within the next few days.

Uruguay thus confirms its commitment to world peace.